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# PRELIMINARY DRAFT

## No. 3658

PREPARED BY  
LEGISLATIVE SERVICES AGENCY  
2007 GENERAL ASSEMBLY

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### DIGEST

**Citations Affected:** Numerous citations throughout the Indiana Code.

**Synopsis:** Recodification of higher education law. Preliminary draft of the higher education recodification. Text is marked to show changes from current law. Words being added to current law are marked in bold and words being eliminated are shown in stricken typeface. Sections being repealed are shown in stricken type. Cross references to the citation of the current law being recodified are included in brackets "[ ]" with each section of relocated text. Cross references to the law being recodified in statutes that are not directly related to the recodification are not included in this draft. If the Code Revision Commission adopts this proposed preliminary draft, the text will be converted to standard bill draft format before it is prepared for introduction in the 2007 session of the general assembly.

**Effective:** July 1, 2007.



A BILL FOR AN ACT to amend the Indiana Code concerning education.

*Be it enacted by the General Assembly of the State of Indiana:*

1       SECTION 1. IC 1-1-4-7 IS ADDED TO THE INDIANA CODE AS  
2       A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1,  
3       2007]: **Sec. 7. A reference in the Indiana Code to a state**  
4       **educational institution refers to as state educational institution (as**  
5       **defined in IC 21-7-13-39).**

6       SECTION 2. IC 4-24-2-1 IS AMENDED TO READ AS FOLLOWS  
7       [EFFECTIVE JULY 1, 2007]: Sec. 1. Any ~~state educational institution~~  
8       ~~and any~~ state charitable or benevolent institution or the state of Indiana  
9       ~~itself~~ may:

10       (1) receive gifts, bequests, and devises of real or personal  
11       property, or both, for:

12       (A) the aid or maintenance of any ~~such~~ institution; or ~~may~~  
13       receive gifts for

14       (B) state parks or other state purposes; and ~~may~~

15       (2) agree to return to the donor or to any **living** person named by  
16       ~~him therein, in being, the donor and living at the time of the~~  
17       **gift**, an annuity under the provisions and safeguards ~~hereinafter~~  
18       provided **in this chapter**.

19       SECTION 3. IC 4-24-2-6 IS AMENDED TO READ AS FOLLOWS  
20       [EFFECTIVE JULY 1, 2006]: Sec. 6. ~~No~~ **An** institution ~~shall may not~~  
21       be the recipient of a gift, whether on the payment of an annuity or  
22       otherwise, that ~~shall pledge such pledges the~~ institution to ~~engage in~~  
23       ~~any course of instruction, or perform any acts of work other than such~~  
24       **acts that the** institution ~~may have been is~~ authorized ~~theretofore~~ by law  
25       to ~~engage in or perform~~.

26       SECTION 4. IC 4-24-2-7 IS AMENDED TO READ AS FOLLOWS  
27       [EFFECTIVE JULY 1, 2007]: Sec. 7. All gifts of money, and all money  
28       realized from real and personal property, made under ~~the provisions of~~  
29       this chapter, to ~~endow~~ permanently **endow** any ~~of said institutions~~  
30       **mentioned institution described** in section 1 of this chapter ~~or to~~  
31       **endow permanently any chair of learning or department in any such**



institution, shall be taken in charge by the state, ~~of Indiana~~, as a trust, and managed in all respects the same as the common school fund of the state is managed. ~~and~~ The proceeds arising ~~therefrom~~ **from a permanent endowment made under this chapter** shall be paid to the institution ~~thus being~~ endowed for the purposes provided by the terms of ~~such~~ the gift.

SECTION 5. IC 5-1-16.5 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]:

**Chapter 16.5. Indiana Health and Educational Facilities Financing Authority; Additional Provisions; Financing Projects for Private Colleges and Universities; Participation in Risk Retention Group**

[IC 20-12-63-1] Sec. 1. It is declared:

(1) that for the benefit of the people of the state, the conduct and increase of their commerce, the protection and enhancement of their welfare, the development of continued prosperity and the improvement of their health and living conditions, it is essential that this and future generations of youth be given the fullest opportunity to learn and to develop their intellectual and mental capacities and skills;

(2) that to achieve the ends in subdivision (1), it is of the utmost importance that private institutions of higher education within ~~the state~~ **Indiana** be provided with appropriate additional means to assist ~~such~~ youth in achieving the required levels of learning and development of their intellectual and mental capacities and skills; and

(3) that it is the purpose of this chapter to provide a measure of assistance and an alternative method to enable private institutions of higher education in ~~the state~~ **Indiana** to refund or refinance outstanding indebtedness incurred by private institutions of higher education in ~~the state~~ **Indiana** for the renovation, construction, acquisition, or equipping of educational facilities, to establish liability or other loss insurance reserves or to contribute those insurance reserves or other capital to a risk retention group ~~for the purpose of providing to provide~~ insurance coverage against liability claims or other losses, and to provide the needed additional educational facilities for the public benefit and good, and in execution of the public policy set forth in this section.

[IC 20-12-63-27 (part)] Sec. ~~27~~ **2**. The exercise of the powers granted by this chapter ~~will~~ **must** be in all respects for the benefit of the people of ~~this state~~, **Indiana**, for the increase of their commerce, welfare, and prosperity, and for the improvement of their health and living conditions.

[IC 20-12-63-29] Sec. ~~29~~ **3**. ~~Liberat Construction~~. This chapter, being necessary for the welfare of the state and its inhabitants, shall be



liberally construed to effect ~~its~~ **the purposes of this chapter.**

[IC 20-12-63-28] ~~Sec. 28:~~ **4. Supplemental Effect.** The provisions of This chapter ~~provide~~ **provides** a complete, ~~an~~ additional, and ~~an~~ alternative method for ~~the doing of the things authorized thereby under this chapter~~ and ~~shall be regarded as is~~ supplemental and additional to powers conferred by other laws. ~~provided that~~ The adoption of rules and the issuance of bonds under this chapter need not comply with the requirements of any other law ~~that would otherwise be applicable thereto.~~ **to the rules or issuance of bonds.** Except as otherwise expressly provided in this chapter, none of the powers granted to the authority under this chapter ~~shall be~~ **are** subject to the supervision or regulation or require the approval or consent of:

(1) any municipality or political subdivision; ~~or any~~

(2) **any** department, division, commission, board, body, bureau, official, or agency ~~thereof of any municipality or political subdivision;~~ **or of**

(3) the state.

[IC 20-12-63-1.5] ~~Sec. 1-5:~~ **5.** This chapter:

(1) applies to the authority only when acting for the purposes set forth in this chapter; and

(2) does not apply to the authority when acting under any other statute for any other purpose.

[New] **Sec. 6. Bonds issued and other actions taken under IC 20-12-63 before its repeal shall be treated as an action taken under this chapter.**

[IC 20-12-63-3(1)] ~~Sec. 3:~~ **7.** For the purposes of this chapter, unless the context clearly requires otherwise, the following words are defined as follows: ~~(1)~~ **As used in this chapter, "authority"** refers to the Indiana health and educational facility finance authority established by IC 5-1-16-2.

[IC 20-12-63-3(4)] ~~(4)~~ **Sec. 8. As used in this chapter, "bonds"** means revenue bonds, notes, bond anticipation notes, or other obligations of the authority issued under this chapter, including refunding bonds, notes, bond anticipation notes, or other obligations.

[IC 20-12-63-3(5)] ~~(5)~~ **Sec. 9. As used in this chapter, "bond resolution"** means the resolution or resolutions and the trust agreement, if any, authorizing or providing for the terms and conditions applicable to bonds issued ~~pursuant to~~ **under** this chapter.

[IC 20-12-63-3(3)] ~~(3)~~ **Sec. 10. As used in this chapter, "cost"** means all costs necessary or incident to the acquisition, construction, or funding of a project, including the costs of refunding or refinancing outstanding indebtedness incurred for the financing of ~~such the~~ project, reserves for principal and interest, engineering, legal, architectural, and all other necessary and incidental expenses, together with interest on bonds issued to finance the project to a date six (6) months ~~subsequent to~~ **after** the estimated date of completion.



[IC 20-12-63-3(6)] ~~(6)~~ **Sec. 11. As used in this chapter,**  
 "educational facility" means any property located within ~~the state~~  
~~which:~~ **Indiana that:**

~~(A)~~ **(1)** is suitable for:

~~(i)~~ **(A)** the instruction, feeding, recreation, or housing of students;

~~(ii)~~ **(B)** the conduct of research or other work of a private institution of higher education; or

~~(iii)~~ **(C)** use by a private institution of higher education in connection with any educational, research, or related or incidental activity conducted by the private institution of higher education;

~~(B)~~ **(2)** is suitable for use as or in connection with: ~~the following:~~

**(A)** an academic facility;

**(B)** an administrative facility;

**(C)** an agricultural facility;

**(D)** an assembly hall;

**(E)** an athletic facility;

**(F)** an auditorium;

**(G)** a boating facility;

**(H)** a campus;

**(I)** a communication facility;

**(J)** a computer facility;

**(K)** a continuing education facility;

**(L)** a classroom;

**(M)** a dining hall;

**(N)** a dormitory;

**(O)** an exhibition hall;

**(P)** a firefighting facility;

**(Q)** a fire prevention facility;

**(R)** a food service and preparation facility;

**(S)** a gymnasium;

**(T)** a greenhouse;

**(U)** a health care facility;

**(V)** a hospital;

**(W)** housing;

**(X)** an instructional facility;

**(Y)** a laboratory;

**(Z)** a library;

**(AA)** a maintenance facility;

**(BB)** a medical facility;

**(CC)** a museum;

**(DD)** offices;

**(EE)** a parking area;

**(FF)** a physical education facility;



(GG) a recreational facility;

(HH) a research facility;

(II) a stadium;

(JJ) a storage facility;

(KK) a student union;

(LL) a study facility;

(MM) a theater; or

(NN) utility;

~~(C)~~ (3) is not used or to be used for sectarian instruction or study or as a place for devotional activities or workshop; and

~~(D)~~ (4) is not used or to be used primarily in connection with any part of the program of a school or department of divinity for any religious denomination.

[IC 20-12-63-3(7)] ~~(7)~~ **Sec. 12. As used in this chapter, "eligible member" means a corporation defined under IC 20-12-6-1 state educational institution** or any private institution of higher education.

[IC 20-12-63-3(9)] ~~(9)~~ **Sec. 13. As used in this chapter, "liability" means legal liability for damages (including costs of defense, legal costs and fees, and other claims expenses) because of injuries to other persons or entities, damage to the property or business of other persons or entities, or other damage or loss to such other persons or entities resulting from or arising out of any activity of an eligible member.**

[IC 20-12-63-3(8)] ~~(8)~~ **Sec. 14. As used in this chapter, "liability or loss insurance reserves" means a fund or funds set aside as a reserve to cover risk retained by an eligible member in connection with liability claims or other losses.**

[IC 20-12-63-3(10)] ~~(10)~~ **Sec. 15. As used in this chapter, (10) "private institution of higher education" means a nonprofit educational institution with a principal office in Indiana that:**

(A) is not owned or controlled by the state of Indiana or any political subdivision, agency, instrumentality, district, or municipality of the state of Indiana;

(B) is authorized by law to provide a program of education beyond the high school level;

(C) admits as regular students only individuals having a certificate of graduation from a high school; or the recognized equivalent of such a certificate;

(D) provides an educational program:

(i) for which the institution awards an associate degree;

(ii) for which the institution awards a bachelors degree;

(iii) admission into which is conditioned upon the prior attainment of a bachelor's degree or equivalent; for which the institution awards either a post graduate degree or provides not less than a two (2) year program which is acceptable for full credit toward a post graduate degree; or

(iv) of two (2) years duration in engineering, mathematics;



or the physical or biological sciences which is designed to prepare the student to work as a technician and at a semiprofessional level in engineering, scientific, or other technological fields which require the understanding and application of basic engineering, scientific, or mathematical principles or knowledge;

(E) is accredited by a nationally recognized accrediting agency or association or, if not so accredited, is an institution whose credits are accepted on transfer by not less than three (3) institutions which are so accredited for credit on the same basis as if transferred from an institution so accredited; and (F) does not discriminate in the admission of students on the basis of race, color, or creed: **has the meaning set forth in IC 21-12-1-31.**

[IC 20-12-63-3(2)] ~~(2)~~ **Sec. 16. As used in this chapter, "project" means:**

~~(A)~~ **(1)** the acquisition, construction, enlarging, remodeling, renovation, improvement, furnishing, or equipping of an educational facility by the authority for a private institution of higher education; or

~~(B)~~ **(2)** the funding of any liability, other loss, or insurance reserves or the funding and contribution of such insurance reserves or other capital to a risk retention group **for the purpose of providing to provide** insurance coverage against liability claims or other losses.

[IC 20-12-63-3(11)] ~~(11)~~ **Sec. 17. As used in this chapter, "property" means any real, personal, or mixed property, or any interest therein, in real property or mixed property, including: without limitation;**

**(1)** any real estate, appurtenances, buildings, easements, equipment, furnishings, furniture, improvements, machinery, or rights-of-way and structures; or

**(2)** any interest ~~therein~~ **in real estate, appurtenances, buildings, easements, equipment, furnishings, furniture, improvements, machinery, or rights-of-way and structures.**

[IC 20-12-63-3(12)] ~~(12)~~ **Sec. 18. As used in this chapter, "revenues" means with respect to any project the rents, fees, charges, and other income or profit derived ~~therefrom~~ from the project.**

[IC 20-12-63-3(13)] ~~(13)~~ **Sec. 19. As used in this chapter, "risk retention group" means a trust, pool, corporation, limited liability company, partnership, or joint venture funded by and owned and operated for the benefit of more than one (1) eligible member.**

[New] **Sec. 20. As used in this chapter, "state educational institution" has the meaning set forth in IC 21-7-13-39.**

[IC 20-12-63-11(1)] ~~Sec. 11.~~ **21. The authority shall have the following functions and powers: (1) (a) The authority may determine**



the location and character of any project to be financed under this chapter.

(b) The authority may construct, reconstruct, remodel, maintain, manage, enlarge, alter, add to, repair, operate, lease as lessee or lessor, regulate any project, or enter into contracts for any purpose stated in this ~~subdivision~~ **section**.

(c) The authority may designate a private institution of higher education as the authority's agent to carry out the authority of this ~~subsection~~ **section**.

[IC 20-12-63-11(2)] ~~(2)~~ **Sec. 22.** The authority may issue bonds or fund and refund bonds as provided in this chapter.

[IC 20-12-63-11(3)] ~~(3)~~ **Sec. 23.** The authority:

(1) may require that the rates, rents, fees, or charges established by a private institution of higher education are sufficient to discharge the institution's obligations to the authority; but ~~shall~~ **have**

(2) **has** no other jurisdiction over ~~such the~~ rates, rents, fees, or charges.

[IC 20-12-63-11(4)] ~~(4)~~ **Sec. 24.** The authority may:

(1) establish rules for the use of a project or any ~~portion thereof~~ **part of a project**; and

(2) designate a private institution of higher education as the authority's agent to establish rules for the use of a project undertaken for that **private institution of higher education**.

[IC 20-12-63-11(5)] ~~(5)~~ **Sec. 25.** The authority may employ consulting engineers, architects, attorneys, accountants, trustees, construction and financial experts, superintendents, managers, and ~~such~~ other employees and agents ~~as may be the authority believes are~~ necessary, ~~in the authority's judgment~~, and fix their compensation.

[IC 20-12-63-11(6)] ~~(6)~~ **Sec. 26.** The authority may:

(1) receive and accept from any source loans, contributions, or grants for or in aid of the construction or funding of a project or any ~~portion thereof~~ **part of a project** in either money, property, labor, or other things of value; and

(2) when required, use ~~such the~~ funds, property, or labor only for the purposes for which the money, property, or labor was loaned, contributed, or granted.

[IC 20-12-63-11(7)] ~~(7)~~ **Sec. 27. (a)** The authority may make loans to any private institution of higher education for the cost of a project, including the establishment of liability or other loss insurance reserves or the contribution of those reserves to a risk retention group for the purpose of providing insurance coverage against liability claims or other losses in accordance with an agreement between the authority and the private institution of higher education. ~~No such~~

(b) A loan **authorized under this section** may **not** exceed the total cost of the project as determined by ~~such the~~ **private institution of**





1 **higher education** and approved by the authority.

2 [IC 20-12-63-11(8)] ~~(8)~~ **Sec. 28. (a)** The authority may make loans  
3 to a private institution of higher education to refund outstanding  
4 obligations or advances issued, made, or given by ~~such the private~~  
5 **institution of higher education** for the cost of a project, including the  
6 establishment of liability or other loss insurance reserves or the  
7 contribution of those reserves to a risk retention group ~~for the purpose~~  
8 **of providing to provide** insurance coverage against liability claims or  
9 other losses.

10 ~~(b) In addition,~~ The authority may issue bonds and make loans to a  
11 private institution of higher education to refinance indebtedness  
12 incurred or to reimburse advances made for projects undertaken ~~prior~~  
13 **to before** the date of the bond issue whenever the authority finds that  
14 ~~such the~~ financing is in the public interest and either:

15 ~~(A)~~ **(1)** alleviates a financial hardship upon the private institution  
16 of higher education;

17 ~~(B)~~ **(2)** results in a lesser cost of education; or

18 ~~(C)~~ **(3)** enables the private institution of higher education to offer  
19 greater security for a loan or loans to finance a new project or  
20 projects or to effect savings in interest costs or more favorable  
21 amortization terms.

22 [IC 20-12-63-11(9)] ~~(9)~~ **Sec. 29.** The authority may charge to and  
23 apportion among private institutions of higher education the authority's  
24 administrative costs and expenses incurred in the exercise of the  
25 powers and duties conferred by this chapter.

26 [IC 20-12-63-11(10)] ~~(10)~~ **Sec. 30. (a)** The authority may, for  
27 financing purposes, combine a project or projects and some or all  
28 future projects of any private institution or institutions of higher  
29 education provided that:

30 ~~(A)~~ **(1)** the authority obtains the consent of all of the private  
31 institutions of higher education ~~which that~~ are involved, or when  
32 financing loans for the funding of liability or other loss insurance  
33 reserves or for the providing of those reserves or other capital to  
34 be contributed to a risk retention group, the authority obtains the  
35 consent of all of the eligible members that are involved; and

36 ~~(B)~~ **(2)** the money set aside in any fund or funds pledged for any  
37 series of bonds or issue of bonds ~~are is~~ held for the sole benefit of  
38 ~~such a~~ series or issue separate and apart from the money pledged  
39 for any other series or issue of bonds of the authority.

40 **(b)** To facilitate the combining of projects, bonds may be issued in  
41 series under one (1) or more resolutions or trust agreements and be:

42 **(1)** fully open end, thus providing for unlimited issuance of  
43 additional series; or

44 **(2)** partially open end, limited as to additional series;

45 all in the discretion of the authority.

46 **(c)** Notwithstanding any provision of this chapter, ~~to the contrary,~~



the authority may permit a private institution of higher education to substitute one (1) or more educational facilities of similar value (as determined by an independent appraiser satisfactory to the authority) as security for any educational facility financed under this chapter on ~~such the~~ terms and conditions ~~as that~~ the authority may prescribe.

[IC 20-12-63-11(11)] ~~(11)~~ **Sec. 31.** The authority may mortgage all or any ~~portion~~ **part** of:

(1) any project and any other educational facilities conveyed to the authority for ~~such an educational~~ purpose; and

(2) the site or sites ~~thereof of the facilities~~, whether presently owned or subsequently acquired; for the benefit of the holders of the bonds of the authority issued to finance ~~such a~~ project or any portion ~~thereof of a project~~ or issued to refund or refinance outstanding indebtedness of a private institution of higher education as permitted by this chapter.

[IC 20-12-63-11(12)] ~~(12)~~ **Sec. 32.** The authority may join in a risk retention group with ~~corporations (as defined in IC 20-12-6-1)~~ **state educational institutions** or any private institution of higher education.

[IC 20-12-63-11(13)] ~~(13)~~ **Sec. 33.** The authority may do all things necessary to carry out the purposes of this chapter.

[IC 20-12-63-12] ~~Sec. 12:~~ **34. Expenses of Authority.** All expenses incurred in carrying out ~~the provisions of~~ this chapter ~~shall be~~ **are** payable solely from funds provided under the authority of this chapter. ~~and~~ No liability ~~shall may~~ be incurred by the authority beyond the extent to which ~~moneys shall have~~ **money has** been provided under this chapter.

[IC 20-12-63-13] ~~Sec. 13:~~ **35.** The authority may acquire:

(1) directly;

(2) by and through a private institution of higher education as ~~its~~ **the private institution's** agent;

(3) by purchase solely from funds provided under this chapter; or

(4) by gift or devise;

~~such~~ lands, structures, real or personal property, rights, rights-of-way, franchises, easements, and other interests in lands, including lands lying under water and riparian rights ~~which that~~ are located in ~~the state, Indiana,~~ as the authority finds necessary or convenient, for the construction or operation of a project, upon ~~such the~~ terms and at ~~such the~~ prices as ~~can be~~ **are** agreed upon between the authority and the owner ~~thereof of a property interest~~. The authority may take title ~~thereto to property~~ in the authority's own name or in the name of a private institution of higher education as the authority's agent.

[IC 20-12-63-14] ~~Sec. 14:~~ **36. Conveyance of Title After Payment of Bonds.** The authority shall promptly ~~do such things take any action~~ and execute ~~such any~~ deeds and conveyances ~~as are~~ necessary and required to convey the title to ~~such a~~ project or projects to the appropriate private institution of higher education whenever:



(1) the principal of and interest on bonds of the authority issued to finance the cost of a project or projects for a private institution of higher education, including any refunding bonds issued to refund and refinance ~~such the~~ bonds, have been fully paid and retired; or

(2) adequate provision has been made to fully pay and retire ~~the same bonds of the authority issued to finance the cost of a project or projects for a private institution of higher learning,~~ all other conditions of the bond resolution have been satisfied, and the lien created by the bond resolution has been released in accord with the provisions of the bond resolution.

[IC 20-12-63-15(a)] ~~Sec. 37.~~ (a) The authority may ~~from time to time~~ **periodically** issue bonds for any corporate purpose. All ~~such~~ bonds or other obligations of the authority issued ~~pursuant to under~~ this chapter ~~shall be and are hereby declared to be~~ negotiable for all purposes notwithstanding their payment from a limited source and without regard to any other. ~~law or laws.~~

[IC 20-12-63-15(b)] ~~(b) Sec. 38.~~ The bonds of every issue ~~shall be~~ **are** payable solely out of revenues of the authority, including accumulated reserves or sinking funds. Any income received from the investment of reserves or sinking funds ~~shall must~~ be applied in reduction of the rentals or other amounts paid by the private institutions or institutions of higher education for whose project or projects the ~~same reserves or sinking funds shall have been~~ **were** created. ~~Such Funds held as reserves or sinking funds when invested shall must~~ be allocated to a specific project or projects of the institution for which the fund ~~has been was~~ created, and the income from ~~such the~~ investment ~~shall must~~ be used to reduce the bonded indebtedness attributable to ~~such the~~ project or projects.

[IC 20-12-63-15(c)] ~~(c) Sec. 39.~~ (a) The bonds **issued by the authority** may be issued as serial bonds **or** term bonds, or both. The bonds: ~~shall~~

(1) **must** be authorized by a bond resolution of the authority; and ~~shall~~

(2) **must:**

(A) bear ~~such the~~ date or dates;

(B) mature at ~~such the~~ time or times not exceeding forty (40) years from their respective dates of issue;

(C) bear interest at ~~such the~~ rate or rates, without regard to any limit contained in any other statute or law of ~~the state of~~ Indiana;

(D) be payable at ~~such the~~ time or times;

(E) be in ~~such the~~ denominations;

(F) be in ~~such the~~ form, either coupon or fully registered;

(G) carry ~~such the~~ registration and conversion privileges;

(H) be payable in lawful money of the United States of



- 1 America at ~~such the~~ places; and
- 2 (I) be subject to ~~such the~~ terms of redemption;
- 3 as are in current or customary usage in municipal bond markets
- 4 and as ~~such the~~ bond resolution may provide.
- 5 (b) The bond resolution **for bonds of the authority** may set the
- 6 maximum interest rate or rates ~~which that~~ the bonds ~~shall may~~ bear
- 7 and delegate to an officer or agent of the authority power to set an
- 8 interest rate or rates ~~which such that the~~ bonds ~~shall may~~ bear at the
- 9 time of sale of the bonds. However, ~~such the~~ rate or rates ~~shall may~~ not
- 10 exceed the maximum rate established by the authority in the bond
- 11 resolution.
- 12 (c) The bonds ~~shall of the authority must~~ be executed by the
- 13 manual or facsimile signatures of ~~such the~~ officers or agents of the
- 14 authority ~~as shall be~~ designated by the authority. In the case of bonds
- 15 having a maturity of one (1) year or less, the bond resolution ~~which~~
- 16 **that** authorizes ~~such the~~ bonds may concurrently provide for the
- 17 issuance, delivery, and sale of refunding bonds subject to the terms and
- 18 conditions prescribed in ~~such the~~ bond resolution and this chapter. The
- 19 bonds ~~shall must~~ be sold in ~~such the~~ manner ~~as that~~ the authority ~~shall~~
- 20 ~~determine determines~~. Pending preparation of the definitive bonds, the
- 21 authority may issue interim receipts or certificates, which ~~shall must~~
- 22 be exchanged for ~~such the~~ definitive bonds.
- 23 [IC 20-12-63-15(d)] ~~(d)~~ **Sec. 40.** Any bond resolution **of the**
- 24 **authority** may contain provisions ~~which shall be a that become~~ part
- 25 of the contract with the holders of the bonds to be authorized, as to:
- 26 (1) pledging or assigning the revenues of the project or projects
- 27 with respect to which ~~such the~~ bonds are to be issued;
- 28 (2) the rentals, fees, and other amounts to be charged, and the
- 29 sums to be raised in each year, ~~thereby~~, and the use, investment,
- 30 and disposition of ~~such the~~ sums;
- 31 (3) the setting aside of reserves or sinking funds, and the
- 32 regulation, investment, and disposition ~~thereof~~; **of reserves or**
- 33 **sinking funds;**
- 34 (4) limitations on the use of the project;
- 35 (5) limitations on the purpose to which or the investments in
- 36 which the proceeds of sale of any issue of bonds ~~then or thereafter~~
- 37 ~~to be issued~~ may be applied;
- 38 (6) limitations on the issuance of additional bonds, the terms upon
- 39 which additional bonds may be issued and secured, the terms
- 40 upon which additional bonds may rank on a parity with, or be
- 41 subordinate or superior to, other bonds;
- 42 (7) the refunding of outstanding bonds;
- 43 (8) the procedure, if any, by which the terms of any contract with
- 44 bond holders may be amended or abrogated, the amount of bonds
- 45 the holders of which must **give** consent ~~thereto~~; and the manner
- 46 in which ~~such the~~ consent may be given;



(9) defining the acts or omissions to act ~~which shall that~~ constitute a default in the duties of the authority to holders of ~~its~~ **the authority's** obligations and providing the rights and remedies of ~~such the~~ holders in the event of a default;

(10) mortgaging the project or projects with respect to which ~~such~~ **any** bonds are to be issued and other educational facilities conveyed to the authority for ~~such a~~ purpose for the benefit of the holders of ~~such the~~ bonds;

(11) the establishment of liability or other loss insurance reserves or the contribution of those reserves or other capital to a risk retention group ~~for the purpose of providing to provide~~ insurance coverage against liability claims or other losses; and

(12) any other matters relating to the bonds which the authority considers desirable.

[IC 20-12-63-15(e)] ~~(e)~~ **Sec. 41.** Neither the members of the authority nor any person executing the bonds ~~shall of the authority~~ **may be held** liable personally on the bonds or be subject to any personal liability or accountability by reason of the issuance ~~thereof: of~~ **the bonds.**

[IC 20-12-63-15(f)] ~~(f)~~ **Sec. 42.** The authority ~~shall have power may~~ **purchase bonds issued by the authority out of using** any funds available ~~therefor to purchase its bonds: for the purpose.~~ The authority may hold, pledge, cancel, or resell ~~such bonds issued by the authority~~ subject to and in accordance with agreements with bond holders.

[IC 20-12-63-16] ~~Sec. 16:~~ **43. Trust Agreement to Secure Bonds: (a)** The authority may secure any bonds issued under ~~the provisions of~~ this chapter by a trust agreement by and between the authority and a corporate trustee or trustees, which may be any trust company or bank in ~~the state of~~ Indiana having the powers of a trust company.

**(b)** The bond resolution providing for the issuance of bonds ~~so~~ secured ~~shall by a trust agreement:~~

**(1)** **must** pledge the revenues to be received by the authority from the project or projects;

**(2)** may contain ~~such~~ provisions for protecting and enforcing the rights and remedies of the bondholders as ~~may be are~~ reasonable and proper and not in violation of law, including ~~particularly such~~ provisions ~~as have hereinabove been~~ specifically authorized to be included in any bond resolution of the authority; and

**(3)** may restrict the individual right of action by bondholders.

**(c)** ~~In addition, to the foregoing,~~ Any bond resolution may contain ~~such any~~ other provisions ~~as that~~ the authority ~~may deem determines~~ reasonable and proper for the security of the bondholders.

**(d)** All expenses incurred in carrying out the provisions of the bond resolution may be treated as a part of the cost of the operation of a project.

[IC 20-12-63-17] ~~Sec. 17:~~ **44. Bonds as Obligation of Authority**



~~Only:~~ (a) Bonds issued under authority of this chapter do not, and ~~shall~~ **must** state upon the face of each bond that ~~they the bonds~~ do not:

(1) represent or constitute:

(A) a debt of the authority or of the state ~~of Indiana~~ within the meaning of the provisions of the Constitution or statutes of the state of Indiana; or

(B) a pledge of the faith and credit of the authority or the state; ~~of Indiana~~; or

(2) grant to the owners or holders ~~thereof of the bonds~~ any right to have the authority or the general assembly levy any taxes or appropriate any funds for the payment of the principal ~~thereof of~~ or interest ~~thereon~~: **due on the bonds. Such**

(b) Bonds **issued under this chapter** are payable and ~~shall must~~ state that ~~they the bonds~~ are payable solely from the funds pledged for ~~their payment of the bonds~~ in accordance with the bond resolution.

(c) ~~Nothing in~~ This chapter ~~shall may not~~ be construed to authorize the authority or any department, board, commission or other agency to create an obligation of the state of Indiana within the meaning of the Constitution **of the State of Indiana** or the statutes of Indiana.

[IC 20-12-63-18] Sec. ~~18~~: **45. (a)** In connection with any lease entered into between the authority and any private institution of higher education, the authority shall fix, revise, charge, and collect rents for the use of each project and contract with any person, partnership, association, limited liability company, or corporation, or other body, public or private, in respect thereof.

(b) Each lease entered into by the authority with a private institution of higher education ~~shall must~~ provide that the rents or other ~~moneys~~ **money** payable by the private institution of higher education ~~shall be~~ **is** sufficient at all times:

(1) to pay ~~its~~ **the private institution's** share of the administrative costs and expenses of the authority;

(2) to pay the principal of the premium, if any, and the interest on outstanding bonds of the authority issued in respect of ~~such the~~ project as the ~~same shall bonds~~ become due and payable; and

(3) to create and maintain reserves ~~which that~~ may ~~but need not~~ be required or provided for in the bond resolution relating to ~~such~~ **the** bonds of the authority.

(c) The authority shall pledge the revenues derived and to be derived from a project for the purposes specified in ~~subdivisions (1), (2), and (3), and subsection (b).~~

(d) Additional bonds may be issued ~~which may that~~ rank on a parity with other bonds relating to the project to the extent and on the terms and conditions provided in the bond resolution. ~~Such~~

(e) A pledge ~~shall be~~ **is** valid and binding from the time ~~when~~ the pledge is made. The revenues ~~so~~ pledged by the authority ~~shall are~~ immediately ~~be~~ subject to the lien of ~~such a~~ pledge without any



physical delivery thereof of the pledge document or further act, and the lien of any physical delivery thereof or further act. and The lien of any such a pledge shall be is valid and binding as against all parties having claims of any kind in tort or contract or otherwise against the authority, irrespective of whether such the parties have notice thereof of the lien.

(f) Neither the bond resolution nor any financing statement, continuation statement, or other instrument by which a pledge is created or by which the authority's interest in revenues is assigned need be filed or recorded in any public records in order to perfect the lien thereof created by a pledge of revenues by the authority as against third parties, except that a copy thereof of the pledge document shall must be filed in the records of the authority and with the state treasurer of state.

[20-12-63-19] Sec. 19: 46. Trust Funds from Sale of Bonds: All moneys money received under this chapter, whether as proceeds from the sale of bonds or as revenues, shall be are trust funds to be held and applied solely as provided in this chapter. Any officer with whom, or any bank or trust company with which, such moneys money received under this chapter shall be is deposited shall act as trustee of such the moneys and shall hold and apply the same money for the purposes hereof, described in this chapter, subject to such regulations as any provisions set forth in this chapter and the bond resolution authorizing the bonds of any issue. may provide:

[IC 20-12-63-20] Sec. 20: 47. Rights of Bond Holders: Any holder of bonds issued under this chapter or a trustee under a trust agreement entered into under this chapter, except to the extent that their the rights of a holder or a trustee are restricted by any bond resolution, may, by any suitable form of legal proceedings, protect and enforce any rights under the laws of this state Indiana or granted by the bond resolution. Such These rights include the right:

- (1) to compel the performance of all duties of the authority required by this chapter or the bond resolution;
- (2) to enjoin unlawful activities; and
- (3) in the event of default with respect to the payment of any principal of, premium, if any, and interest on any bond or in the performance of any covenant or agreement on the part of the authority in the bond resolution, to apply to the circuit court to appoint a receiver:
  - (A) to administer and operate the project or projects, the revenues of which are pledged to the payment of principal of, premium, if any, and interest on such the bonds;
  - (B) with full power to pay, and to provide for payment of, principal of premium, if any, and interest on such the bonds; and
  - (C) with such the powers, subject to the direction of the court,



as are permitted by law and are accorded receivers, excluding any power to pledge additional revenues of the authority to the payment of ~~such the~~ principal, premium and interest.

[IC 20-12-63-21(a)] ~~Sec. 48. (a)~~ The authority may provide for the issuance of bonds of the authority:

(1) ~~for the purpose of refunding to refund~~ any bonds of the authority then outstanding, including the payment of any redemption premium ~~thereon on the bonds~~ and any interest accrued or to accrue to the earlier or any subsequent date of redemption, purchase, or maturity of ~~such the~~ bonds; and

(2) if ~~deemed~~ **determined** advisable by the authority, for the additional purpose of paying all or any part of the cost of constructing and acquiring additions, improvements, extensions, or enlargements of a project or any portion ~~thereof of an addition, improvement, extension, or enlargement or a project.~~

However, no ~~such refunding~~ bonds ~~shall may~~ be issued unless the authority ~~shall have provided~~ **provides** for the payment of rentals adequate to satisfy the requirements of section ~~12 34~~ of this chapter.

[IC 20-12-63-21(b)] ~~(b)~~ **Sec. 49.** The proceeds of any ~~such~~ bonds issued for the purpose of refunding outstanding bonds may, in the discretion of the authority:

(1) be applied to the purchase or retirement at maturity or redemption of ~~such the~~ outstanding bonds either on their earliest or any subsequent redemption date or upon the purchase or at the maturity ~~thereof of the outstanding bonds~~; and ~~may~~;

(2) pending ~~such the~~ application **of the proceeds**, be placed in escrow to be applied to ~~such the~~ purchase or retirement at maturity or redemption **of the outstanding bonds** on ~~such a date as may be~~ determined by the authority.

[IC 20-12-63-21(c)] ~~(c)~~ **Sec. 50.** Any ~~such~~ escrowed proceeds, pending ~~such use for the refunding of outstanding bonds~~, may be invested and reinvested in:

(1) direct obligations of the United States of America; or

(2) obligations having the timely payment of principal and interest unconditionally guaranteed by the United States of America;

maturing at ~~such a time or times as shall be that are~~ appropriate to assure the prompt payment of the principal and interest and redemption premium, if any, on the outstanding bonds to be ~~so~~ refunded. ~~The Any~~ interest, income, and profits if ~~any~~, earned or realized on any ~~such~~ investment may also be applied to the payment of the outstanding bonds to be ~~so~~ refunded. Only after the terms of the escrow have been fully satisfied and carried out, any balance of ~~such the~~ proceeds and **any** interest, income and profits if ~~any~~, earned or realized on the investments ~~thereof shall described in this section must~~ be returned to the private institution of higher education for use by the private





1 institution of higher education in any lawful manner.

2 [IC 20-12-63-21(d)] ~~(d)~~ **Sec. 51.** All ~~such~~ bonds **issued to refund**  
 3 **outstanding bonds of the authority shall be** are subject to this chapter  
 4 in the same manner and to the same extent as other bonds issued  
 5 ~~pursuant to under~~ this chapter.

6 [IC 20-12-63-22] Sec. ~~22:~~ **52.** Except as otherwise provided in  
 7 section ~~21(c)~~ **50** of this chapter or in any trust indenture providing for  
 8 the issuance of bonds, the authority may invest:

- 9 (1) the authority's money, funds, and accounts;
- 10 (2) any money, funds, and accounts in the authority's custody; and
- 11 (3) proceeds of bonds or notes;

12 in the manner provided by an investment policy established by  
 13 resolution of the authority.

14 [IC 20-12-63-23] Sec. ~~23:~~ **53. Bonds as Legal Investments.** All:

- 15 (1) banks, bankers, trust companies, savings banks and
- 16 institutions, building and loan associations, savings and loan
- 17 associations, investment companies, **and** insurance companies
- 18 and associations; and ~~all~~

- 19 (2) executors, administrators, guardians, trustees, and other
- 20 fiduciaries;

21 may legally invest any sinking funds, moneys or other funds belonging  
 22 to them or within their control in any bonds issued ~~pursuant to by the~~  
 23 **authority under** this chapter.

24 [20-12-63-24] Sec. ~~24:~~ **54. Account of Activities.** (a) The authority  
 25 shall keep an accurate account of all ~~its~~ **the authority's** activities, ~~and~~  
 26 ~~of all of its~~ receipts, and expenditures. ~~and~~

27 (b) **The authority** shall annually in the month of January make a  
 28 report ~~thereof of the authority's activities, receipts, and~~  
 29 **expenditures to its the authority's** members and ~~to the~~ governor.

30 (c) The members may:

- 31 (1) investigate the affairs of the authority; ~~may~~
- 32 (2) severally examine the properties and records of the authority;  
 33 and ~~may~~
- 34 (3) prescribe methods of accounting and the rendering of  
 35 periodical reports in relation to projects undertaken by the  
 36 authority.

37 [IC 20-12-63-25] Sec. ~~25:~~ **55.** Except as provided in ~~IC 20-12-5-5,~~  
 38 **IC 21-36-2**, a project is not subject to any statutory requirement of  
 39 competitive bidding or other restriction imposed on the procedure for  
 40 award of contracts or the lease, sale, or other disposition of property  
 41 with regard to any action taken under authority of this chapter. If,  
 42 however, the prospective lessee so requests in writing, the authority  
 43 shall call for the construction bids in the manner determined by the  
 44 authority with the approval of the lessee.

45 [IC 20-12-63-26(a) (part)] Sec. ~~26:~~ **56.** (a) Notwithstanding any  
 46 other provision of this chapter, ~~to the contrary,~~ the authority may:



1 (1) finance the cost of an educational facility or refund  
 2 outstanding indebtedness of a private institution of higher  
 3 education, as authorized under section ~~11(8)~~ **28** of this chapter; or  
 4 (2) finance the establishment of liability or other loss insurance  
 5 reserves or the contribution of ~~such~~ reserves or other capital to a  
 6 risk retention group ~~for the purpose of providing to provide~~  
 7 insurance coverage against liability claims or other losses;  
 8 by issuing ~~its~~ **the authority's** bonds for the purpose of loaning the  
 9 proceeds to a private institution of higher education for the cost of a  
 10 project or to refund or refinance outstanding indebtedness or reimburse  
 11 advances made in connection with a project in accordance with an  
 12 agreement between the authority and the institution and in exchange for  
 13 the institution's promissory note or notes.

14 [IC 20-12-63-26(a) (part)] **Sec. 57. (a)** Any ~~such~~ promissory notes  
 15 **received under section 56 of this chapter: shall**

16 (1) **must** have the same principal amounts, maturities, and interest  
 17 rates as the bonds ~~so~~ being issued;

18 (2) may be secured by a first mortgage lien on the educational  
 19 facility ~~so~~ being financed or by a first mortgage lien or security  
 20 interest in other real or personal property or funds acceptable to  
 21 the authority subject to ~~such~~ **any** exceptions ~~as that~~ the authority  
 22 may approve and created by a mortgage instrument or security  
 23 agreement satisfactory to the authority; and

24 (3) may be insured or guaranteed by others.

25 (b) Any ~~such~~ bonds ~~shall~~ **described in section 56 of this chapter**  
 26 **must** be payable solely out of the payments to be made on ~~such~~ **the**  
 27 promissory notes and under ~~such~~ **the corresponding** agreement. ~~and~~  
 28 ~~shall~~ **Any bonds described in section 56 of this chapter may** not  
 29 exceed in principal amount the cost of ~~such~~ **the** educational facility, as  
 30 determined by the private institution of higher education, or the  
 31 necessary amount of these liability or other loss insurance reserves, and  
 32 approved by the authority. In other respects: ~~any such~~

33 (1) ~~the bonds shall be~~ **are** subject to the provisions of section  
 34 ~~15(c)~~ **39** of this chapter; and

35 (2) the trust agreement or indenture creating ~~such~~ **the** bonds may  
 36 contain ~~such~~ **any** of the provisions set forth in section ~~15(d)~~ **40** of  
 37 this chapter ~~as that~~ the authority ~~may deem~~ **determines**  
 38 appropriate.

39 [IC 20-12-63-26(b)] ~~(b)~~ **Sec. 58. In the event that If** an educational  
 40 facility is financed and mortgaged ~~pursuant to this section: under~~  
 41 **sections 56 and 57 of this chapter:**

42 (1) the title to ~~such~~ **the** facility ~~shall~~ **must** remain in the private  
 43 institution of higher education owning the ~~same~~; **facility**, subject  
 44 to the lien of the mortgage securing the promissory notes then  
 45 being purchased; and

46 (2) there ~~shall be no~~ **may not be a** lease of ~~such~~ **the** facility



between the authority and ~~such the~~ institution.

[IC 20-12-63-26(c)] ~~(c)~~ **Sec. 59.** ~~The provisions of Section 14 36 of~~  
this chapter ~~shall~~ **does** not apply to any educational facility or any  
liability or other loss insurance reserves financed ~~pursuant to this~~  
~~section. but under sections 56 through 58 of this chapter and this~~  
**section. However,** the authority shall return the promissory notes  
purchased through the issuance of bonds under this chapter to the  
private institution of higher education issuing ~~such the~~ promissory  
notes when:

- (1) ~~such the~~ bonds have been fully paid and retired or adequate  
provision has been made to pay and retire the ~~same bonds~~ fully;
- (2) all other conditions of the trust agreement or indenture  
creating ~~such the~~ bonds have been satisfied; and
- (3) the lien ~~thereof~~ has been released in accordance with the  
provisions ~~thereof. of the instrument creating the lien.~~

[IC 20-12-63-27 (part)] **Sec. 60.** Because the operation and  
maintenance of a project by the authority or ~~its the authority's~~ agent  
~~will constitute~~ **constitutes** the performance of an essential public  
function, neither the authority nor ~~its the authority's~~ agent ~~shall be~~ **are**  
required to pay any taxes or assessments, including mortgage recording  
taxes, upon or in respect of:

- (1) a project or any property acquired or used by the authority or  
~~its the authority's~~ agent under ~~the provisions of~~ this chapter or  
upon the income from the project or property;
- (2) the bonds issued under ~~the provisions of~~ this chapter or the  
interest on those bonds; and
- (3) the proceeds received from bonds issued under this chapter:
  - (A) by a holder from the sale of such bonds, to the extent of  
the holder's cost of acquisition;
  - (B) upon redemption ~~prior to~~ **before** maturity; or
  - (C) at maturity.

[IC 20-12-63-27 (part)] **Sec. 61.** All bonds and the interest on bonds  
issued under this chapter are exempt from taxation in ~~the state of~~  
Indiana for all purposes except the financial institutions tax imposed  
under IC 6-5.5 or a state inheritance tax imposed under IC 6-4.1.

SECTION 6. IC 16-23.5 IS ADDED TO THE INDIANA CODE AS  
A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1,  
2007]:

## **ARTICLE 23.5. MEDICAL CENTERS; INDIANA UNIVERSITY HOSPITALS**

### **Chapter 1. General Provisions; Definitions**

**Sec. 1.** The definitions in this chapter apply throughout this  
article.

[IC 20-12-30.3-1 (part)] ~~Sec. 1.~~ **Sec. 2.** As used ~~in~~ this chapter  
"Agency" means a medical center development agency.

[IC 20-12-30.3-1 (part)] **Sec. 3.** "Board of commissioners" includes,



in the case of a county having a consolidated city, the city-county council.

[New] **Sec. 4. "Board of trustees", for the purposes of IC 16-23.5-4 and IC 16-23.5-5, refers to the board of trustees of Indiana University.**

[New] **Sec. 5. "Comprehensive plan" refers to a comprehensive plan that is developed by an executive board for the development of a medical center.**

[IC 20-12-30.3-1 (part)] **Sec. 6. "County council" includes, in the case of a county having a consolidated city, the city-county council.**

[New] **Sec. 7. "Executive board" refers to the executive board of an agency.**

[New] **Sec. 8. "Gift", for purposes of IC 16-23.5-5, refers to the gift of William H. Coleman described in IC 16-23.5-5-1.**

[New] **Sec. 9. "Hospital":**

(1) for purposes of IC 16-23.5-4, refers to the James Whitcomb Riley Hospital for Children; and

(2) for purposes of IC 16-23-5, refers to the William H. Coleman Hospital for Women.

[New] **Sec. 10. "Indiana University hospitals" refers to the hospitals described in IC 16-23.5-3-1.**

[IC 20-12-30.3-1 (part)] **Sec. 11. "Medical center" includes a hospital building or complex of buildings in which medical education, internship programs, medical research, paramedical training, and any related or equivalent activities are systematically carried on in addition to the usual functions of hospitals.**

## **Chapter 2. Medical Center Development Agencies**

[IC 20-12-30.3-2] ~~Sec. 2-1.~~ **1.** The board of commissioners of a county may create a medical center development agency as a public agency and instrumentality of the county to be known as the \_\_\_\_\_ County Medical Center Development Agency.

[IC 20-12-30.3-3] ~~Sec. 3-2.~~ **(a)** The board of commissioners of the county may appoint in writing five (5) residents of the county as members of the executive board of the agency. Original appointments to the **executive board** ~~under this subsection shall~~ **must** be made in the following manner:

(1) One (1) member for a term of two (2) years.

(2) Two (2) members for a term of three (3) years.

(3) Two (2) members for a term of four (4) years.

**(b)** The county council may appoint in writing two (2) residents of the county as members of the executive board. ~~of the agency.~~ Original appointments to the **executive board** ~~shall~~ **must** be made in the following manner:

(1) One (1) member for a term of two (2) years.

(2) One (1) member for a term of four (4) years.

**(c)** All persons subsequently appointed serve a term of four (4)



years. ~~and~~ A person may be reappointed for a subsequent term or terms. If a member of the executive board who was appointed by the board of commissioners dies, resigns, is removed, or ceases to be a resident of the county, the board of commissioners shall appoint another qualified person to fill the remainder of the unexpired term. If a member of the executive board who was appointed by the county council dies, resigns, is removed, or ceases to be a resident of the county, the county council shall appoint another qualified person to fill the remainder of the unexpired term.

(d) Persons appointed to the executive board must be knowledgeable and interested in the community health and medical care needs of the county and other areas of concern related to the development of a county medical center. However, only two (2) of the five (5) board members who are appointed under subsection (a) ~~of this section~~ may be medical practitioners, administrators of a medical or health facility in the county, or on the faculty of a medical institution in the county.

(e) A member of the executive board may be removed from office for neglect of duty, incompetence, inability to perform ~~his~~ **the member's** duties, or any other good cause by an order of the circuit court in the county in which the agency is located, subject to the following procedure:

(1) A complaint may be filed by any person against the member setting forth the charges preferred.

(2) The cause shall be placed on the advanced calendar and tried as other civil causes are tried by the court without a jury.

(3) If the charges are sustained, the court shall declare the office and term vacant.

(4) A change of venue from the judge may be granted upon motion, but a change of venue from the county may not be taken.

[IC 20-12-30.3-4 (part)] Sec. ~~4~~ **3**. (a) Executive board members originally appointed shall meet ~~for the purpose of organization to organize~~ within thirty (30) days after their appointment at a time and place designated by the board of commissioners. The executive board may elect from among their number the officers that are considered necessary for the conduct of business, but including at a minimum a president and vice president. The terms of office ~~shall~~ **must** be established by rules, regulations, or bylaws.

(b) Executive board members may adopt the bylaws, rules, and regulations that they consider necessary to carry out the powers and duties imposed upon the agency by this chapter. The rules, regulations, and bylaws are public records, and a copy of them must be available at all reasonable times in the circuit court clerk's office for inspection by the public.

(c) In addition to the organizational meeting, other regular and special meetings ~~shall~~ **must** be held at the times and with notice that



the executive board fixes. A majority of the members constitutes a quorum, and the concurrence of a majority of the full membership is necessary to authorize any action. Board members serve without pay but are entitled to reimbursement for necessary expenses in amounts that are approved by the board of commissioners and the county council of the county.

[IC 20-12-30.3-4 (part)] ~~(d)~~ **Sec. 4.** The county treasurer shall act as the fiscal officer for the agency without additional compensation. The treasurer shall receive all funds provided for the agency and deposit the funds in a separate account. The funds shall be paid out on an order of the executive board by the treasurer after any necessary approvals stipulated in this chapter.

[IC 20-12-30.3-5] **Sec. 5.** An executive board member may not have a pecuniary interest in any contract, employment, purchase, or sale made under this chapter. A transaction made in which a member has such an interest is void, and the member is subject to removal as provided in this chapter.

[IC 20-12-30.3-6 (a) (part)] **Sec. 6.** ~~(a)~~ The executive board must act in ~~conformance~~ **accordance** with any statewide plan for medical education directed by the general assembly.

[IC 20-12-30.3-6 (a) (part)] **Sec. 7.** The **executive** board has the following powers and duties:

(1) To devise a comprehensive plan for the development of a medical center within the county. The comprehensive plan must be recommended to and approved by the board of commissioners and the county council, if applicable, but only after the plan has been reviewed at one (1) or more public hearings within the county. The plan shall be developed through:

- (A) consultation with the respective local plan commissions;
- (B) surveys of existing public and private medical facilities;
- (C) studies of land-use plans for the county;
- (D) identification of county-wide medical or health services that are deficient and that could be provided by a medical center;
- (E) identification of sources of medical, paramedical, and other personnel to staff or augment the staff of a medical center; and
- (F) study and identification of any other pertinent factors, problems, and needs to be resolved within the plan.

(2) To hire or contract with qualified persons to assist the board in carrying out ~~its~~ **the executive board's** powers and responsibilities. The **executive** board may hire a director who may hire qualified persons or contract with them with the approval of the executive board. The number of persons hired, their compensation, and the terms of contracts are subject to review in advance by the county council, who may alter the contracts and



fix the number of the persons and their compensation.

(3) To apply for, receive, and expend federal, state, private, local, or other funds that may be made available for the purposes of the agency and to meet any conditions that may be attached to the expenditure of ~~them~~ **funds**, all with the prior approval of the county council, and subject to all state statutes and regulations governing them. The county council may appropriate to the agency the proceeds of a tax levied to fund a medical center cumulative building fund or equivalent fund established under statute.

(4) To inform the board of commissioners, county council, and other interested parties at least once every three (3) months of the progress of plans for development, construction, or improvement of medical center facilities.

(5) To make and enter into all contracts and agreements necessary or incidental to the performance of the duties and execution of powers provided in this chapter on behalf of the county, with the approval of the county council.

[IC 20-12-30.3-6 (b)] ~~(b)~~ **Sec. 8.** After approval of and in compliance with the comprehensive plan for development of a medical center, the executive board of the agency has the following powers and duties:

(1) To condemn, appropriate, purchase, and hold any real estate needed or useful in connection with a building or buildings constructed or to be constructed for the purposes of this chapter, on behalf of the county, all with the prior approval of the board of commissioners and the county council.

(2) To design, order, contract for, and have constructed, or to make all necessary and desirable improvements in, facilities for use as a medical center, all with the approval of the county council.

(3) To provide for the equipment of the medical center and any appurtenant facilities, with the approval of the county council.

(4) To do all things with respect to its assigned responsibilities and jurisdiction that may additionally be required by the county council, both before and after adoption of the comprehensive plan.

(5) To develop annual budgets to be submitted to the county council for inclusion in the county budget.

[IC 20-12-30.3-7] ~~Sec. 7:~~ **9.** (a) The comprehensive plan must be proposed to the board of commissioners. The board of commissioners may, upon receipt of the plan, reject the plan or direct its amendment by ordinance or resolution.

(b) The **comprehensive** plan may be officially adopted only by ordinance or resolution of the board of commissioners and approval by the county council. After official adoption, the agency shall implement



the plan under the general guidance and approval of the board of commissioners and county council.

(c) Rejection of all or any part of a comprehensive plan by the board of commissioners is not a final rejection, but the agency may propose additional comprehensive plans to the board of commissioners for further action under this chapter.

[IC 20-12-30.3-8] ~~Sec. 8.~~ **10.** This chapter does not give the agency the power to levy taxes or issue bonds or confer upon ~~it~~ **the agency** the status of a municipal corporation. The agency may act only on behalf of the county, as approved by the board of commissioners or county council under this chapter, and is considered to be an administrative instrumentality of the county.

### **Chapter 3. Indiana University Hospitals**

[IC 20-12-31.5-5 (part)] ~~Sec. 5.~~ **1.** ~~The~~ **This chapter applies to the following:**

- (1) Robert W. Long Hospital. ~~the~~
- (2) James Whitcomb Riley Hospital for Children. ~~the~~
- (3) William H. Coleman Hospital for Women. ~~and~~
- (4) Any other hospitals ~~established after March 10, 1927, that are~~ under the control and management of Indiana University.

[IC 20-12-31.5-5 (part)] **Sec. 2.** ~~The hospitals described in section 1 of this chapter shall collectively be known as Indiana University hospitals. of which~~

[IC 20-12-31.5-5 (part)] **Sec. 3.** Each of the **Indiana University** hospitals ~~listed in this section~~ is a unit.

### **Chapter 4. James Whitcomb Riley Hospital for Children**

[IC 20-12-31-1 (part)] **Sec. 1.** The board of trustees ~~of Indiana University is hereby authorized and directed; to shall~~ establish, in the ~~city of~~ Indianapolis, a hospital, to be known as the James Whitcomb Riley Hospital for Children, for the treatment of children afflicted with any disease, defect, or physical deformity ~~which that~~ may be relieved or improved by proper medical and surgical attention.

[IC 20-12-31-1 (part)] **Sec. 2.** The ~~said~~ board of trustees ~~is authorized to may~~ construct and equip the necessary buildings ~~for the hospital~~ with:

- (1) accommodations for not less than two hundred (200) patients; ~~with and~~
- (2) offices, quarters for officers, nurses, and employees, and other necessary appurtenances. ~~Such~~

**The buildings shall must** be specially designed and equipped for the application of the most approved methods in the diagnosis and medical and surgical treatment of afflicted children. ~~and shall be located in convenient proximity to the Robert W. Long Hospital and the Indiana University School of Medicine; on a site now owned by the state of Indiana; and under the control of the said board of trustees; or on a site which may after May 31, 1921, be acquired by said board of trustees~~





for the purpose of this chapter:

[IC 20-12-31-2 (part)] ~~Sec. 2: 3.~~ **The hospital for children shall be is:**

(1) a department of Indiana University; and ~~shall be~~

(2) under the direction and control of the **board of trustees of said Indiana University.**

[IC 20-12-31-2 (part)] **Sec. 4.** The board of trustees ~~of which is hereby authorized and empowered to may:~~

(1) adopt and apply rules and regulations for its proper management **of the hospital; to**

(2) employ, discharge for sufficient cause, and fix the compensation of ~~the a~~ **superintendent of the hospital, who shall be is** responsible to ~~said the~~ board of trustees for the proper administration of ~~said the~~ hospital and the care and treatment of the afflicted children committed to it; ~~The said board of trustees shall also~~

(3) fix the number and compensation of the assistant medical and executive officers, nurses, and employees **of the hospital; and shall**

(4) provide the food, heat, light, and medical and surgical equipment, appliances, and supplies necessary for the proper and best treatment of the afflicted children committed to the ~~said~~ hospital.

[IC 20-12-31-3] ~~Sec. 3: 5.~~ Any child:

(1) ~~under less than~~ sixteen (16) years of age;

(2) having a legal settlement in any county of ~~the state, Indiana;~~ and

(3) **either:**

(A) afflicted with a defect, disease or deformity, presumably curable or improvable by skilled medical and surgical treatment; or

(B) needing special study for diagnosis;

may be admitted to, **treated at, and discharged from** the ~~said~~ hospital. ~~treated therein and discharged therefrom;~~ under ~~such the~~ rules and regulations ~~as may be~~ adopted by the management of the ~~same;~~ **hospital** and approved by the board of trustees. ~~of said university.~~

[20-12-31-5] ~~Sec. 5:~~ The management of the hospital shall keep an accurate account of the cost of the treatment; and a properly certified statement must be rendered quarterly to the auditor of the state; who shall issue a warrant on the treasurer of state for the amount thereof; to be paid out of any funds in the state general fund not otherwise appropriated; payable to the treasurer of the board of trustees of Indiana University: The treasurer of state shall then reimburse the general fund for the amount so paid out; by collecting from the proper county a like amount or amounts in the next succeeding semiannual settlement with such counties; and the amount or amounts so collected shall be a



charge against the county welfare fund of the county from which the same was so collected. All funds so paid to said treasurer of the board of trustees of Indiana University shall constitute a fund to be used for the maintenance of said hospital, as such board may direct.

[IC 20-12-31-6] Sec. 6. The board of trustees of Indiana University is hereby authorized and empowered to ~~may~~ receive, accept, hold, and apply any donations or bequests of funds or property from individual citizens, societies, and organizations ~~which that~~ may be tendered in good faith for the purpose of assisting to assist in the construction, extension, equipment, and maintenance of the ~~said~~ hospital to the end that ~~its~~ the benefits of the hospital may be extended to the largest possible number of the afflicted children of the state: **Indiana.**

[IC 20-12-31-7] Sec. 7. ~~This~~ **The** hospital for children, as a department of Indiana University, ~~shall be~~ **is** under the direction of the board of trustees. ~~of said university; and~~ In the construction, equipment, and direction of ~~said the~~ hospital, the board of trustees of ~~said university~~ shall receive and consider ~~such the~~ suggestions and advice ~~as may be that is~~ tendered by the James Whitcomb Riley Memorial Association.

[IC 20-12-31-8] Sec. 8. ~~Said~~ **The** board of trustees ~~is also hereby~~ authorized and empowered to ~~may~~ establish and maintain, in connection with ~~said the~~ hospital:

(1) a training school for child nursing; and

(2) an outpatient and social service department;

for the purpose of conserving to conserve the health of the children of the state: **Indiana.**

[IC 20-12-31.5-6] Sec. ~~6:~~ **9.** An Indiana public interest nonprofit corporation to which the board of trustees, ~~of Indiana University~~, with the approval of the governor, delegates authority to manage and operate the James Whitcomb Riley hospital for Children is not subject to an audit by the state board of accounts, notwithstanding IC 5-11-1-9. However, Indiana University is subject to an audit by the state board of accounts.

#### **Chapter 5. William H. Coleman Hospital**

[IC 20-12-31.5-1] Sec. 1. The gift of William H. Coleman:

(1) for the establishment and maintenance of a hospital in Marion County, Indiana; and ~~to~~

(2) ~~provide for the provision of~~ clinical facilities for students in connection with the Indiana University school of medicine;

contained in the proposal set forth in Acts 1927, c.213, s.1 is accepted by the state for the uses and purposes named in ~~that section:~~ **Acts 1927, c.213, s.1.**

[IC 20-12-31.5-2] Sec. 2. The ~~board of~~ trustees: ~~of Indiana University~~

(1) may accept the control and management of the ~~donations~~ described in ~~section 1 of this chapter~~ gift; and



(2) shall administer the affairs of the hospital in accordance with the terms and conditions imposed by the donor of the ~~gifts~~ **gift**.  
 [IC 20-12-31.5-3] Sec. 3. (a) In consideration of the ~~donations by~~ **Mr. William H. Coleman gift** and on the condition that the ~~donations~~ **gift** be made effectual, the hospital ~~shall~~ **must** forever bear the name of "William H. Coleman Hospital for Women, of Indiana University".

(b) ~~The faith of~~ The state is ~~pledged~~ **pledges** that the name ~~shall be~~ **is** the permanent designation of the hospital, without addition or modification. ~~The faith of~~ The state is ~~pledged~~ **pledges** to carry out the objects for which the ~~donations are~~ **gift is** made, as contained in the proposal of the donor.

(c) The general assembly covenants that this chapter will not be repealed or amended to change the terms and conditions under which the ~~donations are~~ **gift is** made.

[IC 20-12-31.5-4] Sec. 4. The ~~board of~~ trustees of ~~Indiana University~~ may erect and maintain the hospital upon the ground belonging to the state for the use of Indiana University in ~~the city of~~ Indianapolis, near the Robert W. Long Hospital.

SECTION 7. IC 20-18-2-15, AS ADDED BY P.L.1-2005, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 15. (a) "Public school":

(1) **for purposes of this title (other than IC 20-33-1), means a school maintained by a school corporation; and**

(2) **for purposes of IC 20-33-1, means:**

(A) **a school maintained by a school corporation; or**

(B) **a preschool, an elementary school, or a high school maintained by a state educational institution under IC 20-24.5 or another law.**

SECTION 8. IC 20-24.5 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]:

## **ARTICLE 24.5. UNIVERSITY ADMINISTERED SCHOOLS**

### **Chapter 1. Operation of Preschools, Elementary Schools, and Secondary Schools by Certain Universities**

[20-12-13-1 (part)] Sec. 1. ~~Whenever any of the several boards of trustees of the Indiana State Normal School,~~ **This chapter applies only to the following state educational institutions:**

(1) **Ball State University.**

(2) **Indiana State University.**

(3) **Indiana University. and**

(4) **Purdue University.**

[20-12-13-1 (part)] Sec. 2. **This chapter applies only to the several trustees of the following school corporations:**

(1) **School townships. of this state and the several boards of**

(2) **School trustees of the several cities. and**

(3) **School towns. in this state are hereby authorized to**



1           **(4) Community school corporations.**

2           **(5) Metropolitan school district.**

3           **(6) County school corporation.**

4           [New] Sec. 3. As used in this chapter, "board of trustees" has the  
5 meaning set forth in IC 21-7-13-9.

6           [New] Sec. 4. As used in this chapter, "contract" refers to a  
7 contract made under this chapter between a state educational  
8 institution and a school corporation to educate part or all of the  
9 students of one (1) or more school corporations in a university  
10 administered school.

11          [20-12-13-1 (part)] Sec. 5. As used in this chapter, "university  
12 administered school" refers to a preschool, an elementary school,  
13 or a high school established by a state educational institution in the  
14 a county in this state, in which Indiana State Normal School, Indiana  
15 State University or Purdue University Indiana where the state  
16 educational institution is otherwise situated for the purpose of  
17 instructing to instruct children therein in the subjects and branches of  
18 learning taught in the public schools.

19          [20-12-13-1 (part)] Sec. 6. ~~Whenever any of The several boards~~  
20 ~~board of trustees of the Indiana State Normal School, Indiana~~  
21 ~~University and Purdue University a state educational institution shall~~  
22 ~~have established may establish a university administered school in~~  
23 ~~the any county in this state, Indiana in which Indiana State Normal~~  
24 ~~School, Indiana State University or Purdue University the state~~  
25 ~~educational institution is situated for the purpose of instructing to~~  
26 ~~instruct children therein in the subjects and branches of learning~~  
27 ~~taught in the public schools. of this state.~~

28          [20-12-13-1 (part)] Sec. 7. The several trustees of the school  
29 townships; of this state and the several boards of school trustees of the  
30 several cities and towns in this state are hereby authorized to  
31 governing body of a school corporation may enter into contracts a  
32 contract with such the board of trustees of the Indiana State Normal  
33 School, Indiana University, or Purdue University, conducting such  
34 school providing a state educational institution for the education of  
35 to educate part or all or any number of children of said several the  
36 students of the school corporation in such a university administered  
37 school. and fixing The contract may fix:

38           (1) the compensation to be paid; to such board of trustees so  
39 conducting such school and

40           (2) the date and time of when payment thereof will be made;  
41 to the state educational institution for conducting a university  
42 administered school.

43          [20-12-13-3] Sec. 8. The charge to be made for educating  
44 children students in any university administered school referred to  
45 in section 1 of this chapter shall may not exceed the annual average per  
46 pupil cost of the included grades for the length of the annual term of



1 school of the school corporation where ~~said~~ the school is located.

2 [20-12-13-5] Sec. 5: ~~9. The~~ Payments to be made under any a  
3 contract pursuant to the provision of section 4 of this chapter shall  
4 **must** be made from time to time during each a school year as shall be  
5 **in the amount** fixed by the terms of ~~said the~~ contract.

6 [20-12-13-2 (part)] Sec. 10. ~~therefor; provided; however; that~~ The  
7 **board of trustees** of the **state educational** institution conducting ~~such~~  
8 **a university administered** school shall have the power to determine  
9 **and shall provide may**, in any ~~such the~~ contract so made with a school  
10 **corporation, determine** the maximum number of children; if any;  
11 **students** to be accepted in ~~such the university administered~~ school  
12 from ~~any the~~ school corporation.

13 [20-12-13-4] Sec. 4: ~~11. Any~~ A contract made under authority of  
14 this chapter shall ~~continue~~ **continues** from year to year thereafter until  
15 terminated by:

16 (1) mutual consent of the parties; ~~thereto, unless and until either~~  
17 ~~party, by or~~

18 (2) two (2) years written notice ~~thereof by any party to the~~  
19 **contract to the all other parties to the contract**, shall express its  
20 **that expresses the party's desire** and intent to terminate ~~said the~~  
21 contract at the end of any a school year. ~~of said school.~~

22 [20-12-13-2 (part)] Sec. 2: ~~12. When a school has been established~~  
23 **and a contract made as provided for by section 4 of this chapter; then**  
24 **The trustee or board of trustees governing body** of any of said several  
25 **a school corporations corporation** entering into ~~such a~~ contract may  
26 designate territorial limits within ~~his or their respective the area~~  
27 **served by the school corporations corporation** from which ~~all or any~~  
28 **number part** of the children of school age **students** may be required to  
29 attend ~~such a university administered~~ school in the same manner as  
30 though ~~such the school was were~~ established ~~and/or conducted by such~~  
31 **trustee or board of trustees; and such the school corporation.**

32 [20-12-13-2 (part)] Sec. 13. ~~trustee or board of trustees~~ **A governing**  
33 **body of a school corporation** may also transfer any child or any  
34 **number of children a student** from any a district in his or their ~~the~~  
35 school corporation to ~~such a university administered~~ school  
36 whenever, in the opinion of ~~such trustee or board of trustees; such~~  
37 **child or children the governing body, the student** can be better  
38 accommodated and taught in ~~such a university administered~~ school.  
39 ~~so established and;~~

40 [20-12-13-2 (part)] Sec. 14. Whenever ~~deemed the governing body~~  
41 **of a school corporation determines** necessary, by ~~such trustee or~~  
42 **board of trustees; he or they the governing body** may cause the  
43 ~~children so~~ **students** required to attend ~~said a university administered~~  
44 school to be transported to ~~and/or the university administered school~~  
45 **or from such the university administered school, or both, and pay**



the **related** transportation charges.

## **Chapter 2. Laboratory Schools**

[20-12-14-1 (part)] **Sec. 1. The trustees of This chapter applies only to the following state educational institutions:**

- (1) Indiana University. ~~the trustees of~~
- (2) Purdue University. ~~the trustees of~~
- (3) Indiana State University. ~~and the trustees of~~
- (4) Ball State University.

[New] **Sec. 2. As used in this chapter, "board of trustees" has the meaning set forth in IC 21-7-13-9.**

[New] **Sec. 3. As used in this chapter, "laboratory school" refers to a preschool, an elementary school, or a high school described in section 4 of this chapter.**

[20-12-14-1 (part)] **Sec. 4. The board of trustees of Indiana University; the trustees of Purdue University; the trustees of Indiana State University; and the trustees of Ball State University a state educational institution may, from time to time and as the governing boards of the universities shall find board of trustees finds a need exists, establish and conduct at their the main campuses campus of the state educational institution within the appropriate school or college of the university state educational institution, laboratory schools for:**

- (1) developing, testing, and evaluating new methods of instruction and materials;
- (2) comparing ~~such~~ new methods with ~~the~~ conventional methods ~~now~~ in use; and
- (3) ~~the~~ training of teachers in ~~such~~ new methods of instruction and materials, as ~~shall be~~ is found acceptable.

[20-12-14-1 (part)] **Sec. 5. The board of trustees of a state educational institution may: also**

- (1) acquire sites for;
- (2) construct or acquire;
- (3) equip; and
- (4) furnish;

suitable buildings and appurtenances for ~~that purpose:~~ **a laboratory school.**

[20-12-14-4] **Sec. 6. (a) For the purpose of obtaining To obtain funds required to acquire sites for and to construct, equip and furnish suitable buildings and appurtenances for such laboratory schools; said corporations are hereby respectively authorized to carry out section 5 of this chapter, a state educational institution may issue and sell their negotiable, general obligation bonds payable out of any available funds of said corporations the state educational institution, including but not limited to fees, charges, rentals, interest on permanent endowment funds, and legislative appropriations made for new construction, repair, and rehabilitation of buildings.**

**(b) Said Bonds issued under subsection (a) shall must:**



(1) be authorized by resolution of the ~~respective governing body~~  
**board of trustees** of the issuing ~~corporation~~; **state educational**  
**institution; shall**

(2) bear interest at any rate ~~shall~~ **provided for in the authorizing**  
**resolution; and**

(3) be payable at ~~such~~ **the** times and in ~~such~~ **the** amounts within  
 thirty (30) years from the date of issuance **provided for in the**  
**authorizing resolution. and**

**Bonds issued under subsection (a)** may be callable ~~prior to before~~  
 maturity ~~at~~ as provided in the authorizing resolution.

(c) ~~Such~~ **Bonds issued under subsection (a)** shall be sold to the  
 highest bidder ~~therefor~~ at a public sale as provided by IC 5-1-11. ~~Such~~  
**Bonds issued under subsection (a)** and the interest ~~thereon shall be on~~  
**bonds issued under subsection (a)** are exempt from taxation.

[20-12-14-1 (part)] **Sec. 7.** Each special education program  
 conducted by a laboratory school ~~shall be conducted~~ **is** subject to  
~~IC 20-1-6-2-1. IC 20-35-4-1.~~

[20-12-14-2(a)] **Sec. 2: 8. (a)** Instruction in laboratory schools may  
 be provided for:

(1) pre-school ~~pupils~~; **students;**

(2) kindergarten ~~pupils~~; **students;**

(3) special education ~~pupils~~; **students;** and ~~for~~

(4) all or a ~~portion~~ **part** of the twelve (12) common school grades.

[20-12-14-2(b)] **Sec. 9. (b)** Agreements may be entered into with  
~~local~~ school ~~units~~ **corporations** and educational organizations for:

(1) the assignment of ~~pupils~~ **students** to ~~such~~ **a** laboratory  
~~schools~~; **school;**

(2) the payment of transfer fees; and

(3) contributions to the cost of establishing and maintaining ~~the~~  
**a** laboratory ~~schools~~; **school.**

[20-12-14-2(c)] **Sec. 10. (c)** A laboratory school that:

(1) is operated ~~by a university under this chapter~~ without an  
 agreement; ~~described in subsection (b);~~ and

(2) has an ADM of not more than seven hundred fifty (750);

~~shall must~~ be treated as a charter school for purposes of local funding  
 under IC 20-45-3 and state funding under IC 20-20-33 and IC 20-43.

[20-12-14-2(c)] **Sec. 11. (d)** A ~~pupil~~ **student** who attends a  
 laboratory school full time may not be counted in ADM or ADA by any  
~~local~~ school ~~unit~~ **corporation** when ~~his~~ **the student's** attendance is not  
 regulated under an agreement.

[20-12-14-3] **Sec. 3: 12. Local (a)** A school ~~units~~ **corporation**  
 assigning ~~pupils~~ **students** to ~~such~~ **a** laboratory ~~schools~~ **school** shall, at  
 least once each year, prepare a report or reports, as required by law,  
 governing the operation of ~~such~~ **the** school **corporation**, showing:

(1) the number of ~~pupils~~ **students** attending;

(2) the grades taught;



(3) the methods of instruction used; and

(4) the operational costs, as defined by statute, law, per pupil student.

(b) The governing board of Each university state educational institution operating a laboratory school under this chapter shall prepare the a report or reports, regardless of whether or not the university state educational institution has an agreement with a local school unit corporation. The report or reports must be prepared once each year setting forth and must contain:

(1) a comparison of the results obtained by the new methods of instruction with the conventional methods of instruction; and

(2) the new methods of instruction recommended for general use in the common public schools. of the state.

(c) A copy of any such each report or reports shall must be filed with the superintendent department of public instruction and education. The copies shall must be furnished to any legislative committee having an interest in such the matters.

### **Chapter 3. Indiana Academy for Science, Mathematics, and Humanities; Ball State University**

[New] Sec. 1. This chapter applies to Ball State University.

[New] Sec. 2. As used in this chapter, "academy" refers to the Indiana academy for science, mathematics, and humanities established under this chapter.

[20-12-14.5-1] Sec. ~~1~~ 3. Ball State University may establish the Indiana academy for science, mathematics, and the humanities as a laboratory school under IC 20-12-14 beginning in the 1989-90 school year. IC 20-24.5-2.

[20-12-14.5-2] Sec. ~~2~~ 4. The academy shall operate:

(1) a public, residential school for high school students in Indiana; and

(2) a program for public school educators.

[20-12-14.5-3] Sec. ~~3~~ 5. (a) A student who applies for admission to the academy must:

(1) be eligible to attend a public school in Indiana;

(2) demonstrate exceptional intellectual ability; and

(3) demonstrate a commitment to scholarship.

(b) A student shall be admitted without regard to sex, race, religion, creed, national origin, or household income.

[20-12-14.5-4] Sec. ~~4~~ 6. The academy shall:

(1) establish an advisory committee that represents the education and business communities in Indiana;

(2) determine the standards for admissions and the curricula and courses of study to be offered;

(3) develop curriculum material for distribution and use throughout the public school system;

(4) develop programs to encourage interaction with public school





educators;

(5) make curriculum material available to students in public schools throughout Indiana by the use of telecommunications technology; and

(6) establish cooperative arrangements with private and public entities in order to effectively operate the academy.

#### **Chapter 4. Indiana School for the Arts; Indiana University**

**[New] Sec. 1. This chapter applies to Indiana University.**

**[New] Sec. 2. As used in this chapter, "school for the arts" refers to the Indiana school for the arts established under this chapter.**

**[20-12-14.6-1] Sec. 1. ~~3. Beginning in the 1998-1999 school year,~~ Indiana University may establish the Indiana school for the arts as a laboratory school under IC 20-12-14 IC 20-24.5-2.**

**[20-12-14.6-2] Sec. 2. ~~4.~~ The school for the arts shall operate:**

(1) a public, residential school for high school students in Indiana; and

(2) a program for public and nonpublic school educators.

**[20-12-14.6-3] Sec. 3. ~~5.~~ A student who applies for admission to the school for the arts must:**

(1) be eligible to attend a public school in Indiana;

(2) demonstrate exceptional ability;

(3) demonstrate a commitment to scholarship; and

(4) demonstrate a commitment to the arts.

**[20-12-14.6-4] Sec. 4. ~~6.~~ The school for the arts shall:**

(1) establish an advisory committee that represents the education and the arts communities in Indiana;

(2) determine the standards for admissions and the curricula and courses of study to be offered;

(3) develop curriculum material for distribution and use throughout the public school system;

(4) develop programs to encourage interaction with public and nonpublic school educators;

(5) make curriculum material available to students in public schools throughout Indiana by the use of telecommunications technology; and

(6) establish cooperative arrangements with private and public entities in order to effectively operate the school for the arts.

#### **Chapter 5. Grammar School; Vincennes University**

**Sec. 1. This chapter applies to Vincennes University.**

**Sec. 2. As used in this chapter, "board of trustees" refers to the board of trustees for the Vincennes University.**

**Sec. 3. As used in this chapter, "grammar school" refers to the grammar school established by Vincennes University under this chapter.**

**[23-13-18-13 (part)] Sec. 4. ~~The said board of trustees shall have the power to~~ may establish a grammar school, connected with,**



and dependent upon ~~the said Vincennes University, for the purpose of teaching to teach~~ the rudiments of the languages.

[23-13-18-13 (part)] **Sec. 5.** The **board of** trustees may employ:

(1) a master and ushers specially for ~~this purpose, the purposes of this chapter; or~~

(2) ~~employ~~ the professor of languages of Vincennes University to superintend the ~~same grammar school;~~

as the ~~one (1) or the other may be found~~ **board of trustees determines** most convenient and economical.

SECTION 9. IC 20-33-1-1, AS ADDED BY P.L.1-2005, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. The following is the public policy of the state:

(1) To provide:

(A) equal;

(B) nonsegregated; and

(C) nondiscriminatory;

educational opportunities and facilities for all, regardless of race, creed, national origin, color, or sex.

(2) To provide and furnish public schools ~~and common schools~~ **equally** open **equally** to all, and prohibited and denied to none because of race, creed, color, or national origin.

(3) To reaffirm the principles of:

(A) the Bill of Rights;

(B) civil rights; and

(C) the Constitution of the State of Indiana.

(4) To provide ~~for the state and the citizens of Indiana~~ a uniform democratic system of public ~~and common~~ school education **to the state and the citizens of Indiana.**

(5) To:

(A) abolish;

(B) eliminate; and

(C) prohibit;

segregated and separate schools or school districts on the basis of race, creed, or color.

(6) To eliminate and prohibit:

(A) segregation;

(B) separation; and

(C) discrimination;

on the basis of race, ~~color, or~~ creed, ~~or color in the public kindergartens, common schools, public schools. vocational schools, colleges, and universities of Indiana.~~

SECTION 10. IC 20-33-1-3, AS ADDED BY P.L.1-2005, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3. (a) The governing body of a school corporation and the board of trustees of a ~~college or university~~ **state educational institution** may not build or erect, establish, maintain, continue, or



1 permit any segregated or separate

2 ~~(1) public kindergartens;~~

3 ~~(2) public schools, or districts;~~

4 ~~(3) including any public school departments or divisions or~~

5 ~~(4) colleges or universities;~~

6 on the basis of race, color, creed, or national origin of pupils or  
7 students.

8 (b) The officials described in subsection (a) may take any  
9 affirmative actions that are reasonable, feasible, and practical to effect  
10 greater integration and to reduce or prevent segregation or separation  
11 of races in public schools for whatever cause, including:

12 (1) site selection; or

13 (2) revision of:

14 (A) school districts;

15 (B) curricula; or

16 (C) enrollment policies;

17 to implement equalization of educational opportunity for all.

18 (c) A school corporation shall review the school corporation's  
19 programs to determine if the school corporation's practices of:

20 (1) separating students by ability;

21 (2) placing students into educational tracks; or

22 (3) using test results to screen students;

23 have the effect of systematically separating students by race, color,  
24 creed, national origin, or socioeconomic class.

25 SECTION 11. IC 20-33-1-4, AS ADDED BY P.L.1-2005,  
26 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
27 JULY 1, 2007]: Sec. 4. (a) A student is entitled to be admitted and  
28 enrolled in ~~the a public or common~~ school in the school corporation in  
29 which the student resides without regard to race, creed, color,  
30 socioeconomic class, or national origin.

31 (b) A student may not be prohibited, segregated, or denied  
32 attendance or enrollment ~~to in~~

33 ~~(1) a~~

34 ~~(A) public school~~

35 ~~(B) common school;~~

36 ~~(C) junior high school; or~~

37 ~~(D) high school;~~

38 in the student's school corporation ~~or~~

39 ~~(2) a college or university in Indiana;~~

40 because of the student's race, creed, color, or national origin.

41 (c) Every student is free to attend

42 ~~(1) a~~

43 ~~(A) public school, or including a~~

44 ~~(B) department or division of a public school or~~

45 ~~(2) college or university in Indiana;~~

46 within the laws applicable alike to noncitizen and nonresident students.



SECTION 12. IC 20-33-1-5, AS ADDED BY P.L.1-2005,  
SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
JULY 1, 2007]: Sec. 5. (a) A

(1) public school

(2) ~~state college; or~~

(3) ~~state university;~~

may not segregate, separate, or discriminate against any of its students  
on the basis of race, creed, or color.

(b) Admission to a public school may not be approved or denied on  
the basis of race, creed, or color.

SECTION 13. IC 20-33-1-6, AS ADDED BY P.L.1-2005,  
SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
JULY 1, 2007]: Sec. 6. A

(1) public school

(2) ~~state college; or~~

(3) ~~state university;~~

may not discriminate in any way in the hiring, upgrading, tenure, or  
placement of ~~any~~ a teacher on the basis of race, creed, color, or  
national origin.

SECTION 14. IC 20-33-1-7, AS ADDED BY P.L.1-2005,  
SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
JULY 1, 2007]: Sec. 7. This chapter is supplemental to:

(1) all common law, statutory law, and civil rights applicable to  
the public schools; ~~common schools; colleges; and universities;~~  
and

(2) the rights and remedies arising from these laws of ~~the state~~  
**Indiana** and to ~~the state's~~ **Indiana's** citizens.

SECTION 15. IC 20-42.5 IS ADDED TO THE INDIANA CODE  
AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY  
1, 2007]:

## **ARTICLE 42.5. ALLOCATION OF EXPENDITURES TO STUDENT INSTRUCTION**

### **Chapter 1. Purposes and General Provisions**

[21-10-1-1] Sec. 1. This article has the following purposes:

(1) To maximize the allocation and use of taxpayer provided  
resources by school corporations and schools for student  
instruction and learning.

(2) To confirm the authority of school corporations to use a  
variety of methods to reduce the costs of acquisition of products  
and services.

(3) To instruct the state board to oversee the consideration of  
statewide means to acquire products and services.

(4) To provide a means for school corporations to access technical  
assistance and other support in the consideration of means to  
increase the allocation of resources to student instruction and  
learning.



(5) To recognize school corporations that achieve effective allocation of resources to student instruction and learning.

[21-10-1-2] Sec. 2. This article is supplemental to and does not abrogate the powers given to school corporations under the home rule provisions of IC 20-26-3, and those powers remain in full effect.

[21-10-1-3] ~~Sec. 3. The definitions in IC 20 apply to this article.~~

## **Chapter 2. Authority to Allocate Expenditures to Student Instruction and Learning**

[21-10-2-1] Sec. 1. A school corporation individually, in collaboration with other school corporations, and through the educational services centers may undertake action to reduce noninstructional expenditures and allocate the resulting savings to student instruction and learning. Actions taken under this section include the following:

(1) Pooling of resources with other school corporations for liability insurance, property and casualty insurance, worker's compensation insurance, employee health insurance, vision insurance, dental insurance, or other insurance, whether by pooling risks for coverage or for the purchase of coverage, or by the creation of or participation in insurance trusts, subject to the following:

(A) School corporations that elect to pool assets for coverage must create a trust under Indiana law for the assets. The trust is subject to regulation by the department of insurance as follows:

(i) The trust must be registered with the department of insurance.

(ii) The trust shall obtain stop loss insurance issued by an insurer authorized to do business in Indiana with an aggregate retention of not more than one hundred twenty-five percent (125%) of the amount of expected claims for the following year.

(iii) Contributions by the school corporations must be set at one hundred percent (100%) of the aggregate retention plus all other costs of the trust.

(iv) The trust shall maintain a fidelity bond in an amount approved by the department of insurance. The fidelity bond must cover each person responsible for the trust for acts of fraud or dishonestly in servicing the trust.

(v) The trust is subject to IC 27-4-1-4.5 regarding claims settlement practices.

(vi) The trust shall file an annual financial statement in the form required by IC 27-1-3-13 not later than March 1 of each year.

(vii) The trust is not covered by the Indiana insurance guaranty fund association created under IC 27-6-8. The



- 1 liability of each school corporation is joint and several.  
 2 (viii) The trust is subject to examination by the department  
 3 of insurance. All costs associated with an examination shall  
 4 be borne by the trust.  
 5 (ix) The department of insurance may deny, suspend, or  
 6 revoke the registration of a trust if the commissioner finds  
 7 that the trust is in a hazardous financial condition, the trust  
 8 refuses to be examined or produce records for examination,  
 9 or the trust has failed to pay a final judgment rendered  
 10 against the trust by a court within thirty (30) days.  
 11 (B) The department of insurance may adopt rules under  
 12 IC 4-22-2 to implement this subdivision.  
 13 (2) Each school corporation, and more than one (1) school  
 14 corporation acting jointly, may elect to aggregate purchases of  
 15 natural gas commodity supply from any available natural gas  
 16 commodity seller for all schools included in the aggregated  
 17 purchases. A rate schedule that is:  
 18 (A) filed by a natural gas utility; and  
 19 (B) approved by the Indiana utility regulatory commission;  
 20 must include provisions that allow a school corporation or school  
 21 corporations acting jointly to elect to make aggregated purchases  
 22 of natural gas commodity supply. Upon request from a school  
 23 corporation, a natural gas utility shall summarize the rates and  
 24 charges for providing services to each school in the school  
 25 corporation on one (1) summary bill for remitting payment to the  
 26 utility.  
 27 (3) Consolidating purchases with other school corporations or  
 28 units of government of the following:  
 29 (A) School buses and other vehicles and vehicle fleets.  
 30 (B) Fuel, maintenance, or other services for vehicles or vehicle  
 31 fleets.  
 32 (C) Food services.  
 33 (D) Facilities management services.  
 34 (E) Transportation management services.  
 35 (F) Textbooks, technology, and other school materials and  
 36 supplies.  
 37 (G) Any other purchases a school corporation may require.  
 38 Purchases may be made by contiguous school corporations, as  
 39 part of regional consolidated purchasing arrangements, or from  
 40 consolidated sources under multistate cooperative bidding  
 41 arrangements.  
 42 [21-10-2-2] Sec. 2. A school corporation may use shared services  
 43 arrangements with other school corporations and units of government,  
 44 including:  
 45 (1) the use of shared administrative services overseeing  
 46 transportation, food service, facilities, or other operations;



(2) the use of shared administrative services to manage finance, payroll, human resources, information technology, purchasing, or other administrative services; and

(3) the use of shared resources to provide instruction, supplemental services, extracurricular activities, or other student services.

School corporations are not required to merge schools, consolidate, or otherwise relinquish control of curriculum, instruction, or student activities to use shared services arrangements.

[21-10-2-3] Sec. 3. A school corporation may collaborate with contiguous school corporations to explore the use of cooperatives among school corporations, commonly managed school corporations, or the consolidation of school corporations to provide effective and efficient management of the school corporations or functions of the school corporations.

[21-10-2-4] Sec. 4. (a) Educational service centers established under IC 20-20-1 shall support and facilitate actions by school corporations under this article, including by the use of an educational service center's existing cooperative agreements.

(b) School corporations and educational service centers may use the division of finance of the department and the office of management and budget to provide technical assistance under this article.

(c) Not later than August 31 of each year, the educational service centers shall report to the state board the results of the efforts of the educational service centers under this article during the preceding school year.

### **Chapter 3. State Board Action**

[21-10-3-1] Sec. 1. The state board shall explore methods, including statewide purchases, to reduce the expense to school corporations for the purchase of the following:

- (1) Textbooks.
- (2) Technology.
- (3) School buses and other vehicles.
- (4) Other areas of expenses as determined by the state board.

[21-10-3-2] Sec. 2. The state board, assisted by the educational service centers, the division of finance of the department, and the office of management and budget, shall survey annually the school corporations to determine actions taken by the school corporations to allocate resources to student instruction and learning. The state board shall issue an annual report of actions taken to:

- (1) each school corporation;
- (2) the public; and
- (3) the general assembly.

The report to the general assembly must be submitted to the executive director of the legislative services agency in an electronic format under IC 5-14-6.



[21-10-3-3] Sec. 3. Not later than November 1 of each year, the state board, assisted by the office of management and budget and school corporation officials, shall submit a report to the state superintendent, the governor, and the general assembly concerning the following:

(1) Consolidated purchasing arrangements used by multiple school corporations, through educational service centers, and throughout Indiana.

(2) Shared services arrangements used by multiple school corporations, through educational service centers, and in ~~the state~~ **Indiana** as a whole.

(3) The efforts of school corporations to explore cooperatives, common management, or consolidations.

The report to the general assembly must be submitted to the executive director of the legislative services agency in an electronic format under IC 5-14-6.

[21-10-3-4] Sec. 4. (a) The state board, assisted by the office of management and budget, the division of finance of the department, and school corporation officials, shall analyze each school corporation's expenses for the 2004-2005 and 2005-2006 school years to determine how much each school corporation spent, from whatever source, directly or indirectly, on the following categories of expenditures:

(1) Student academic achievement expenditures.

(2) Student instructional support expenditures.

(3) Overhead and operational expenditures.

(4) Nonoperational expenditures.

The state board shall determine the types of expenses that are included in each category set forth in subdivisions (1) through (4). The sum of all expenditures under subdivisions (1) through (4) by a school corporation must equal the total amount of expenditures by the school corporation for the year being analyzed.

(b) The state board's analysis under subsection (a) may include relevant trend line data for school years before the 2004-2005 school year.

(c) Not later than June 30, 2007, the state board shall report the results of the analysis under subsection (a) to the state superintendent, the governor, and the general assembly. The report to the general assembly must be submitted to the executive director of the legislative services agency in an electronic format under IC 5-14-6.

[21-10-3-5] Sec. 5. (a) ~~Beginning with the 2006-2007~~ **For each** school year ~~and~~ using the 2005-2006 school year as a baseline:

(1) the office of management and budget shall analyze and report to the state board, the governor, and the general assembly concerning the progress or lack of progress of each school corporation, ~~of all school corporations in each educational service center's area, and in the state as Indiana~~ **as Indiana** a whole in improving the ratio of student instructional expenditure to all other expenditures





for the previous school year;

(2) the state board shall recognize publicly each school corporation and educational service center that has an improved ratio of student instructional expenditures to all other expenditures during the previous school year;

(3) the office of management and budget and the division of finance of the department shall be available to consult with and provide technical assistance to each school corporation that did not have an improved ratio of student instructional expenditures to all other expenditures during the previous school year; and

(4) each school corporation shall report to the public in the school corporation's annual performance report and to the members of the general assembly whose districts include the school corporation:

(A) the percentage of resources spent by the school corporation during the previous school year on each category of expenditures set forth in section 4 of this chapter and whether the school corporation met the goals established for the previous school year under section 6 of this chapter;

(B) the trend line for each category of expenditures set forth in section 4 of this chapter for the school corporation during the previous school year;

(C) whether the school corporation did or did not make progress in improving the ratio of student instructional expenditures to all other expenditures during the previous school year; and

(D) the goals established under section 6 of this chapter for the current school year.

(b) The reports to the general assembly under ~~subdivision~~ **subsection** (a)(1) and to individual members of the general assembly under ~~subdivision~~ **subsection** (a)(4) must be submitted to the executive director of the legislative services agency in an electronic format under IC 5-14-6.

[21-10-3-6] Sec. 6. (a) Beginning with the 2007-2008 school year, each governing body shall establish goals for each category of expenditures set forth in section 4 of this chapter that will increase the school corporation's allocation of taxpayer resources directly to student instruction and learning, in light of the unique circumstances present in the school corporation.

(b) The state board shall recognize and reward the school corporations that ~~have met~~ **meet** the goals described in subsection (a).

SECTION 16. IC 20-43-4-8 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: [20-30-11-11; 20-12-75-14(b) (part); 23-13-18-29(b) (part)] Sec. ~~11~~ **8**. A student who participates in:

**(1) a postsecondary enrollment the program under IC 21-43-4**



1 is considered a student enrolled in the school corporation to  
 2 compute where the student has legal settlement for the  
 3 purposes of computing ADM;

4 (2) a high school fast track to college program under  
 5 IC 21-43-6 shall be counted in the ADM of the school  
 6 corporation where the student has legal settlement if the  
 7 student would be counted in the ADM of the school  
 8 corporation had the student enrolled in the school  
 9 corporation; or

10 (3) a high school fast track to college program under  
 11 IC 21-43-7 shall be counted in the ADM of the school  
 12 corporation where the student has legal settlement if the  
 13 student would be counted in the ADM of the school  
 14 corporation had the student enrolled in the school  
 15 corporation.

16 SECTION 17. IC 21-7-12 IS ADDED TO THE INDIANA CODE  
 17 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
 18 JULY 1, 2007]:

19 **Chapter 12. Effect of Recodification by the Act of the 2007**  
 20 **Regular Session of the General Assembly**

21 [New] Sec. 1. As used in this chapter, "prior law" refers to the  
 22 statutes concerning higher education that are repealed or amended  
 23 in the recodification act of the 2007 regular session of the general  
 24 assembly as the statutes existed before the effective date of the  
 25 applicable or corresponding provision of the recodification act of  
 26 the 2007 regular session of the general assembly. The term includes  
 27 statutes that are recodified outside this title by the recodification  
 28 act of the 2007 regular session of the general assembly, such as law  
 29 related to the Indiana health and educational facility finance  
 30 authority, Indiana University hospitals, medical center  
 31 development agencies, university administered preschools,  
 32 elementary schools, and high schools, administration of school  
 33 corporation expenditures, donations to a state educational  
 34 institution by a political subdivision, and the Knox County  
 35 property tax levy for Vincennes University.

36 [New] Sec. 2. The purpose of the recodification act of the 2007  
 37 regular session of the general assembly is to recodify prior law in  
 38 a style that is clear, concise, and easy to interpret and apply.  
 39 Except to the extent that:

40 (1) the recodification act of the 2007 regular session of the  
 41 general assembly is amended to reflect the changes made in a  
 42 provision of another bill that adds to, amends, or repeals a  
 43 provision in the recodification act of the 2007 regular session  
 44 of the general assembly; or

45 (2) the minutes of meetings of the code revision commission  
 46 during 2006 expressly indicate a different purpose;



the substantive operation and effect of the prior law continue uninterrupted as if the recodification act of the 2007 regular session of the general assembly had not been enacted.

[New] Sec. 3. Subject to section 2 of this chapter, sections 4 through 9 of this chapter shall be applied to the statutory construction of the recodification act of the 2007 regular session of the general assembly.

[New] Sec. 4. (a) The recodification act of the 2007 regular session of the general assembly does not affect:

- (1) any rights or liabilities accrued;
- (2) any penalties incurred;
- (3) any violations committed;
- (4) any proceedings begun;
- (5) any bonds, notes, loans, or other forms of indebtedness issued, incurred, or made;
- (6) any tax levies made or authorized;
- (7) any funds established;
- (8) any patents issued;
- (9) the validity, continuation, or termination of any contracts, easements, or leases executed;
- (10) the validity, continuation, scope, termination, suspension, or revocation of:
  - (A) permits;
  - (B) licenses;
  - (C) certificates of registration;
  - (D) grants of authority; or
  - (E) limitations of authority; or
- (11) the validity of court decisions entered regarding the constitutionality of any provision of the prior law;

before the effective date of the recodification act of the 2007 regular session of the general assembly (July 1, 2007). Those rights, liabilities, penalties, violations, proceedings, bonds, notes, loans, other forms of indebtedness, tax levies, funds, patents, contracts, easements, leases, permits, licenses, certificates of registration, grants of authority, and limitations of authority continue and shall be imposed and enforced under prior law as if the recodification act of the 2007 regular session of the general assembly had not been enacted.

(b) The recodification act of the 2007 regular session of the general assembly does not:

- (1) extend or cause to expire a permit, license, certificate of registration, or other grant or limitation of authority; or
- (2) in any way affect the validity, scope, or status of a license, permit, certificate of registration, or other grant or limitation of authority;

issued under the prior law.



(c) The recodification act of the 2007 regular session of the general assembly does not affect the revocation, limitation, or suspension of a permit, license, certificate of registration, or other grant or limitation of authority based in whole or in part on violations of the prior law or the rules adopted under the prior law.

[New] Sec. 5. The recodification act of the 2007 regular session of the general assembly shall be construed as a recodification of prior law. Except as provided in section 2(1) and 2(2) of this chapter, if the literal meaning of the recodification act of the 2007 regular session of the general assembly (including a literal application of an erroneous change to an internal reference) would result in a substantive change in the prior law, the difference shall be construed as a typographical, spelling, or other clerical error that must be corrected by:

(1) inserting, deleting, or substituting words, punctuation, or other matters of style in the recodification act of the 2007 regular session of the general assembly; or

(2) using any other rule of statutory construction;

as necessary or appropriate to apply the recodification act of the 2007 regular session of the general assembly in a manner that does not result in a substantive change in the law. The principle of statutory construction, which states that a court must apply the literal meaning of an act if the literal meaning of the act is unambiguous, does not apply to the recodification act of the 2007 regular session of the general assembly to the extent that the recodification act of the 2007 regular session of the general assembly is not substantively identical to the prior law.

[New] Sec. 6. Subject to section 9 of this chapter, a reference in a statute or rule to a statute that is repealed and replaced in the same or a different form in the recodification act of the 2007 regular session of the general assembly shall be treated after the effective date of the new provision as a reference to the new provision.

[New] Sec. 7. A citation reference in the recodification act of the 2007 regular session of the general assembly to another provision of the recodification act of the 2007 regular session of the general assembly shall be treated as including a reference to the provision of prior law that is substantively equivalent to the provision of the recodification act of the 2007 regular session of the general assembly that is referred to by the citation reference.

[New] Sec. 8. (a) As used in the recodification act of the 2007 regular session of the general assembly, a reference to rules adopted under any provision of this title or under any other provision of the recodification act of the 2007 regular session of the general assembly refers to either:

(1) rules adopted under the recodification act of the 2007



1 regular session of the general assembly; or

2 (2) rules adopted under the prior law until those rules have  
3 been amended, repealed, or superseded.

4 (b) Rules adopted under the prior law continue in effect after  
5 June 30, 2007, until the rules are amended, repealed, or suspended.

6 [New] Sec. 9. (a) A reference in the recodification act of the 2007  
7 regular session of the general assembly to a citation in the prior  
8 law before its repeal is added in certain sections of the  
9 recodification act of the 2007 regular session of the general  
10 assembly only as an aid to the reader.

11 (b) The inclusion or omission in the recodification act of the  
12 2007 regular session of the general assembly of a reference to a  
13 citation in the prior law before its repeal does not affect:

14 (1) any rights or liabilities accrued;

15 (2) any penalties incurred;

16 (3) any violations committed;

17 (4) any proceedings begun;

18 (5) any bonds, notes, loans, or other forms of indebtedness  
19 issued, incurred, or made;

20 (6) any tax levies made or authorized;

21 (7) any funds established;

22 (8) any patents issued;

23 (9) the validity, continuation, or termination of contracts,  
24 easements, or leases executed;

25 (10) the validity, continuation, scope, termination, suspension,  
26 or revocation of:

27 (A) permits;

28 (B) licenses;

29 (C) certificates of registration;

30 (D) grants of authority;

31 (E) limitations of authority; or

32 (F) degrees; or

33 (11) the validity of court decisions entered regarding the  
34 constitutionality of any provision of the prior law;

35 before the effective date of the recodification act of the 2007  
36 regular session of the general assembly (July 1, 2007). Those rights,  
37 liabilities, penalties, violations, proceedings, bonds, notes, loans,  
38 other forms of indebtedness, tax levies, funds, patents, contracts,  
39 easements, leases, permits, licenses, certificates of registration,  
40 grants of authority, limitations of authority, and degrees, continue  
41 and shall be imposed and enforced under prior law as if the  
42 recodification act of the 2007 regular session of the general  
43 assembly had not been enacted.

44 (c) The inclusion or omission in the recodification act of the  
45 2007 regular session of the general assembly of a citation to a  
46 provision in the prior law does not affect the use of a prior



conviction, violation, or noncompliance under the prior law as the basis for revocation of a license, permit, certificate of registration, or other grant of authority under the recodification act of the 2007 regular session of the general assembly, as necessary or appropriate to apply the recodification act of the 2007 regular session of the general assembly in a manner that does not result in a substantive change in the law.

SECTION 18. IC 21-7-13 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]:

**Chapter 13. Definitions**

[NEW] Sec. 1. The definitions in this chapter apply throughout this title.

[20-12-22.1-1; 20-12-71-1] Sec. ~~1~~ 2. As used in this chapter, "Academic term":

(1) for purposes of this title (other than IC 21-40), has the meaning set forth in IC 21-12-1-2; and

(2) for purposes of IC 21-40, has the meaning set forth in IC 21-40-1-2.

[New] Sec. 3. "Academic year" has the meaning set forth in IC 21-12-1-3.

[New] Sec. 4. "Accredited nonpublic school" means a nonpublic school that has voluntarily become accredited under IC 20-19-2-8.

[New] Sec. 5. "ADM" has the meaning set forth in IC 20-43-1-6.

[New] Sec. 6. "Approved institution of higher learning" has the following meaning:

(1) for purposes of this title (other than IC 21-12-6 and IC 21-12-8), the meaning set forth in IC 21-12-1-5(a);

(2) for purposes of IC 21-12-6, the meaning set forth in IC 21-12-1-5(b); and

(3) for purposes of IC 21-12-8, the meaning set forth in IC 21-12-1-5(c).

[New] Sec. 7. "Approved secondary school" has the meaning set forth in IC 21-12-1-6.

[New] Sec. 8. "Ball State University" refers to the state educational institution established under IC 21-19-2.

[New] Sec. 9. "Board of trustees":

(1) in a law applicable to Ball State University, refers to the Ball State University board of trustees;

(2) in a law applicable to Indiana University, refers to the Indiana University board of trustees;

(3) in a law applicable to Indiana State University, refers to the Indiana State University board of trustees;

(4) in a law applicable to Ivy Tech Community College, refers to the Ivy Tech Community College of Indiana board of trustees (or if the name of the state educational institution is



changed under IC 21-22-2-2, the trustees of the state educational institution with the name designated under IC 21-22-2-2).

(5) in a law applicable to Purdue University, refers to the Purdue University board of trustees;

(6) in a law applicable to the University of Southern Indiana, refers to the University of Southern Indiana board of trustees; and

(7) in a law applicable to Vincennes University, refers to the Vincennes University board of trustees.

[New] Sec. 10. "Commission for higher education" refers to the commission for higher education of the state of Indiana established by IC 21-18-2.

[New] Sec. 11. "Commission on proprietary education" refers to the Indiana commission on proprietary education established under IC 21-17-2-1.

[20-12-75-3] ~~Sec. 3.~~ Sec. 12. As used in this chapter, "Community college system" refers to a community college system established by this chapter. IC 21-41-5.

[20-12-21-3(7)] ~~(7)~~ Sec. 13. "Educational costs" means tuition and regularly assessed fees.

[New] Sec. 14. "Educational institution" has the meaning set forth in IC 21-17-1-8.

[New] Sec. 15. "Educational institution of higher learning" has the meaning set forth in IC 21-17-1-9.

[20-12-70.1-5] Sec. 16. "Educational support costs" refers to costs incurred by scholarship recipients in purchasing:

- (1) required textbooks, supplies, or equipment;
- (2) any other ~~materials~~ material required by the institution of higher learning (as defined in ~~IC 20-12-70-4~~) in order for a scholarship recipient to participate in a particular class, seminar, laboratory, or other type of instruction; or
- (3) other items or services approved by the state student assistance commission under rules adopted by the state student assistance commission;

that are not included in the cost of tuition or other regularly assessed fees. educational costs.

[New] Sec. 17. "Elementary school" has the meaning set forth in IC 20-18-2-4.

[New] Sec. 18. "Eligible institution" has the meaning set forth in IC 21-43-1-3.

[New] Sec. 19. "Eligible institution of higher learning" has the meaning set forth in IC 21-13-1-3.

[20-12-23-7 (part); 23-13-18-7(c) (part)] Sec. 20. "Faculty", for the purposes of a law related to:

- (1) Indiana University, refers to the president, professors, and



instructors of Indiana University; and

(2) Vincennes University, refers to the president and professors of Vincennes University, or a majority of them.

[New] Sec. 21. "High school" has the meaning set forth in IC 20-18-2-7.

[New] Sec. 22. "Indiana University" refers to the state educational institution established under IC 21-20-2.

[New] Sec. 23. "Indiana State University" refers to the state educational institution established under IC 21-21-2.

[New] Sec. 24. "Institution of higher education" has the meaning set forth in IC 21-16-1-12.

[New] Sec. 25. "Institution of higher learning":

(1) for the purposes of this title (other than IC 21-44-1-10) has the meaning set forth in IC 21-12-1-12; and

(2) for the purposes of IC 21-44-1-10, has the meaning set forth in IC 21-44-1-11.

[New] Sec. 26. "Ivy Tech Community College" refers to the state educational institution established under IC 21-22-2.

[New] Sec. 27. "Nonpublic school" has the meaning set forth in IC 20-18-2-12.

[New] Sec. 28. "Occupational and technical education" has the meaning set forth in IC 21-22-1-2.

[New] Sec. 29. "Postsecondary proprietary educational institution" has the meaning set forth in IC 21-17-1-15.

[New] Sec. 30. "Private institution", for the purposes of IC 21-40-5, has the meaning set forth in IC 21-40-1-9.

[New] Sec. 31. "Private institution of higher education" has the meaning set forth in IC 21-12-1-14.

[New] Sec. 32. "Private technical, vocational, correspondence, and trade school" has the meaning set forth in IC 21-17-1-16.

[New] Sec. 33. "Purdue University" refers to the state educational institution established under IC 21-23-2.

[New] Sec. 34. "Qualified institution" has the meaning set forth in IC 21-16-1-13.

[New] Sec. 35. "Regional institute" has the meaning set forth in IC 21-22-1-5.

[New] Sec. 36. "School corporation" has the meaning set forth in IC 20-18-2-16(a).

[New] Sec. 37. "Secondary school" has the meaning set forth in IC 20-18-2-18.

[New] Sec. 38. "Standard college or university" refers to an entity that is recognized by the state board of education as a standard college or university under IC 21-44-3-1.

[20-12-0.5-1 (part)] Sec. 39. (a) "State educational institution" means any university, college, or other educational institution:

(A) existing on or after March 29, 1971;





- (B) in Indiana;
- (C) ~~for the purpose of providing~~ **that provides** programs of:
- (i) collegiate or university education; or
  - (ii) other postsecondary education; and
- (D) ~~which that~~ is supported in whole or in part by appropriations made by the general assembly.
- (b) The term refers to the following:**
- (1) Ball State University.**
  - (2) Indiana State University.**
  - (3) Indiana University.**
  - (4) Ivy Tech Community College.**
  - (5) Purdue University.**
  - (6) University of Southern Indiana.**
  - (7) Vincennes University.**

[New] Sec. 40. "State student assistance commission" refers to the commission established under IC 21-11-2-1.

[20-12-21-3(11)] ~~(H)~~ Sec. 41. "State superintendent" ~~means the state superintendent of public instruction.~~ **has the meaning set forth in IC 20-18-2-20.**

[New] Sec. 42. "University of Southern Indiana" refers to the state educational institution established under IC 21-24-2.

[New] Sec. 43. "Vincennes University" refers to the state educational institution established under IC 21-25-2.

[New)] Sec. 44. "Vocational education" has the meaning set forth in IC 21-18-1-7.

SECTION 19. IC 21-7-14 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]:

**Chapter 14. Indiana University Permanent Endowment Fund**

[21-7-4-1] Sec. 1. The treasurer of state shall proceed at once to collect all outstanding loans belonging to the permanent endowment fund of Indiana University which may be due; and shall collect all other loans belonging to said fund as fast as they become due; which money, together with all other money that come into the hands of the treasurer of state; belonging to said fund shall be immediately apportioned by the auditor of state pro rata among the several counties in this state; according to population. The treasurer of state; immediately thereafter, pay the same to the several county treasurers; according to said apportionment made by the said auditor of state; and take their receipts therefor. Semiannually, on May 1 and November 1 of each year, the said auditor of state shall apportion the amount collected during the preceding six (6) months; and the treasurer of state shall pay the same to the respective county treasurers.

[21-7-4-2] Sec. 2. The said moneys so distributed and paid to said counties; as provided by section 1 of this chapter; shall be loaned by the auditors of the respective counties in the same manner and on the same



terms and conditions and under the same restrictions, subject to the same limitations; and said loans shall be again collected from the borrower; as the common school funds are loaned and collected. And the said several counties shall be liable in the same manner and to the same extent, for the principal and interest of said fund; and for the payment of the same; as they are liable for the payment of the interest and principal of the common school funds.

[21-7-4-3] Sec. 3: The auditor of state is hereby prohibited from making any further loans from said fund; and all money in his hands belonging thereto shall be by the auditor of state apportioned; and by the treasurer of state paid to the several counties; where apportionment is made as provided in section † of this chapter.

[21-7-4-4] Sec. 4: The several counties of this state shall pay the interest on said fund to the treasurer of state at the same time and in the same manner as interest is now paid on the school fund; and said treasurer of state shall at once pay the same to the trustees of the Indiana University; and take proper receipts therefor.

[21-7-4.5-1] Sec. 1. This chapter applies to money in the fund.

[21-7-4.5-2] Sec. 2. As used in this chapter, "fund" refers to the Indiana University permanent endowment fund in the custody of the treasurer of state.

[21-7-4.5-3] Sec. 3. (a) The treasurer of state is the exclusive custodian of the fund.

(b) The state board of finance has full and complete management and control of the fund. The state board of finance shall invest the fund as provided in IC 20.

[21-7-4.5-4] Sec. 4. Except as provided in this chapter, the fund shall be invested in:

(1) bonds, notes, certificates, and other valid obligations of the United States;

(2) bonds, notes, debentures, and other securities issued by any federal instrumentality and fully guaranteed by the United States;

(3) bonds, notes, certificates, and other valid obligations of any state of the United States or any county, township, city, town, or other political subdivision in Indiana that are issued under law, the issuers of which, for five (5) years before the date of the investment, have promptly paid the principal and interest on their bonds and other legal obligations in lawful money of the United States; or

(4) bonds, notes, or other securities issued by the Indiana bond bank and described in IC 5-13-10.5-11(3).

[21-7-4.5-5] Sec. 5. (a) The state board of finance shall direct all disbursement from the fund. The auditor of state shall draw the auditor of state's warrant on the treasurer of state, on a properly itemized voucher officially approved by:

(1) the president of the state board of finance; or



(2) ~~in the absence of the president~~, any member of the state board of finance **if the president is absent.**

(b) Except as otherwise provided by this chapter, all securities purchased for the fund shall be deposited with and remain in the custody of the state board of finance. The state board of finance shall collect all interest or other income accruing on the securities, when due, together with the principal of the securities when the principal matures and is due. Except as provided by subsection (c), all money collected under this subsection shall be credited to the proper fund account on the records of the auditor of state, and the collection shall be deposited with the treasurer of state and reported to the state board of finance.

(c) All money collected under an agreement that is sold, transferred, or liquidated under ~~IC 21-49-4-23~~ **IC 20-49-4-23** shall be immediately transferred to the purchaser, transferee, or assignee of the agreement.

[21-7-4.5-6] Sec. 6. (a) The state board of finance may:

- (1) make all rules;
- (2) employ all help;
- (3) purchase all supplies and equipment; and
- (4) incur all expense;

necessary to properly carry out this chapter.

(b) The expense incident to the administration of this chapter shall be paid from any money in the state treasury not otherwise appropriated upon the warrant of the auditor of state **and** issued on a properly itemized voucher approved by the president of the state board of finance.

[21-7-4.5-7] Sec. 7. The state board of accounts shall annually examine the status of the fund by a field examiner or field examiners assigned by the state examiner. Upon the completion of the examination, the examiners performing the duty shall prepare a report of the examination. The report must show:

- (1) all necessary, pertinent information;
- (2) the balance of the fund's principal at the close of the previous examination;
- (3) the amount of interest and principal paid by each county to the state board of finance since the close of the previous examination;
- (4) the balance of principal due at the date of closing of the report;
- (5) a statement of receipts and disbursements by the state board of finance;
- (6) a list of the securities found to be ~~in the possession of~~ **possessed by** the state board of finance;
- (7) the amount of each security; and
- (8) the total amount of all the securities held in custody.

The appropriate officer of the state board of finance shall sign the list described in subdivision (6) in duplicate. The original signed list shall



be deposited with the state board of accounts, and the duplicate of the signed list shall be kept in the files of the treasurer of state.

[21-7-4.5-8] Sec. 8: This chapter may not be construed to relieve the county auditor of any county, or any other county officer, of any liability fixed by law not specifically changed by this chapter.

[21-7-4.5-9] Sec. 9: 8. Notwithstanding any other law, the treasurer of state:

(1) on the terms that the treasurer of state prescribes; and

(2) without the approval of the state board of finance;

may make loans from the principal of the fund to ~~its~~ **the fund's** board of trustees.

[21-7-3-1] Sec. 1: There shall be assessed and collected, as state revenues are assessed and collected, in the year 1883, and in each of the next succeeding twelve (12) years, the sum of one-half of one cent (\$.005) on each one hundred dollars (\$100) worth of taxable property in this state, which money, when collected and paid into the state treasury in each of the years named in this section, shall be placed to the credit of a fund to be known as the permanent endowment fund of Indiana University.

[21-7-3-2] Sec. 2: Whenever, after the first day of May, 1884, there shall have been paid into the state treasury a sum of said permanent endowment fund sufficient to pay off any of the interest-bearing indebtedness of the state, it shall be the duty of the treasurer of state to pay off and cancel such indebtedness, and it shall be the duty of said treasurer of state to continue to pay off and cancel said interest-bearing indebtedness which may be due, or which, by the terms of the contract creating said indebtedness, may be paid off, whenever there is a sufficient sum of said permanent endowment fund in the state treasury to pay off the same out of said permanent endowment fund.

[21-7-3-3] Sec. 3: It shall be the duty of the treasurer of state, immediately after paying off any of the interest-bearing indebtedness of the state, as provided for in section 2 of this chapter, to make and issue to the trustees of said university and to their successors in office a nonnegotiable bond of the state, in an amount equal to the sum drawn from said permanent endowment fund and used in such payment. Said nonnegotiable bond shall be signed by the governor and treasurer of state, and attested by the secretary of state and the seal of the state, and be made payable in fifty (50) years after date, at the option of the state, and said bond shall bear five percent (5%) interest from date until paid, which interest shall be paid semiannually on May 1 and November 1 of each year, and the same shall be applied to the current and extraordinary expenses of said university and be paid to the trustees thereof under the same rules and regulations as is required by law in the payment of the revenues of said university. The nonnegotiable bond provided for in this chapter, when executed, shall remain in the custody of the treasurer of state.



[21-7-3-4] Sec. ~~4~~. **9.** ~~So~~ **The auditor of state shall loan as much of said permanent endowment the fund as shall is** not at any time be absorbed by the nonnegotiable bonds of the state ~~as contemplated in issued under~~ this chapter ~~shall be loaned by the auditor of state~~ at six percent (6%) interest, payable annually in advance in real estate security. ~~and Except as otherwise provided in this chapter,~~ in making loans and disbursing ~~the~~ interest collected, the treasurer of state and the auditor of state ~~shall be~~ **are** governed by the law in force regulating the manner of making loans of the university funds and paying out interest collected. ~~except as otherwise provided in this chapter.~~

[21-7-3-5] Sec. ~~5~~. **10.** ~~It shall be the duty of (a)~~ The auditor of state ~~to shall~~ make a complete record of every mortgage and note executed on account of any loan from ~~said permanent endowment the fund,~~ in a book to be kept in ~~his the auditor of state's~~ office for that purpose. ~~and~~

**(b)** On payment of any loan to ~~said the fund,~~ ~~said the~~ auditor of state shall:

**(1)** enter a record of satisfaction in full on the margin of the record of the mortgage ~~in his office;~~ and sign the ~~same with his name;~~ **record;** and ~~he shall also, in like manner,~~

**(2)** enter satisfaction in full on the face of the mortgage. ~~which~~

**(c)** ~~The~~ mortgage, when presented by the mortgagor or any person holding title under ~~him;~~ **the mortgagor,** to the recorder of the county ~~wherein in which~~ the land mortgaged is ~~situated;~~ **shall authorize located, authorizes** the recorder of ~~said the~~ county to copy ~~such the~~ entry on the record in ~~his the recorder's~~ office.

[21-7-3-6] Sec. ~~6~~. **11.** **(a)** ~~If at any time after June 5, 1883;~~ the state ~~shall need requires~~ the loan of any part or ~~of~~ all of ~~said permanent endowment the fund,~~ the state ~~shall be~~ **is** a preferred borrower of ~~so as~~ much of ~~said the~~ fund as ~~shall is~~ not ~~be~~ loaned at the time. ~~But it shall be the duty of~~

**(b)** The treasurer of state ~~to shall~~ cause to be executed, as ~~an~~ evidence of ~~any such a~~ loan **under this section,** a nonnegotiable bond of the state for the amount ~~so~~ borrowed, in ~~like the following~~ manner: ~~as is provided in section 3 of this chapter. Provided;~~

**(1)** The ~~nonnegotiable~~ bond ~~shall must~~ be signed by the governor and treasurer of state and attested by the secretary of state and the seal of the state. ~~and~~

**(2)** ~~The bond must~~ be made payable in fifty (50) years after ~~the~~ date of execution, at the option of the state. ~~and said~~

**(3)** ~~The~~ bond shall bear five percent (5%) interest from ~~the~~ date of execution until paid. ~~which~~

**(4)** ~~The~~ interest ~~shall on the bond must~~ be:

**(A)** paid semiannually on May 1 and November 1 of each year; ~~and the same shall be~~



(B) applied to the current and extraordinary expenses of said Indiana University; and be

(C) paid to the board of trustees thereof under the same rules and regulations as is required by law in the payment of the revenues of said Indiana University.

The nonnegotiable bond provided for in this chapter, section, when executed, shall must remain in the custody of the treasurer of state.

(c) If at any time after June 5, 1883, the said Indiana University shall be is consolidated with any other educational institution or institutions of the state, or shall be is removed from its the location on of the university as of June 5, 1883, for any cause, whatever, the funds raised under the provisions of this chapter shall be held and used for the benefit of such the institution, as consolidated or changed, notwithstanding such the change or consolidation. whenever so removed or consolidated. Provided, further, that after said date no further appropriation shall be made to said university.

[21-7-2-1 (part)] Sec. 12. In all cases where Whenever:

(1) the auditor of state has made loans from the university fund, college fund, or the permanent endowment fund of the Indiana State University, which said loans that were secured by a mortgage upon real estate, property; and when said

(2) the mortgaged premises have been heretofore or which may be hereafter are forfeited to the state for nonpayment of the amount due thereon, or have been heretofore or hereafter shall be bid in are purchased for the state by the auditor of state for the benefit of said respective funds the fund; and where said

(3) the mortgaged premises when sold according to law after having been forfeited or bid in by the auditor of state have failed or shall fail to sell for a sum sufficient to satisfy the principal and interest of the loan made and the damages; accrued by reason of such failure and costs;

the auditor of state shall bring suit on the note executed by the mortgagor for the deficiency, for which deficiency the maker shall be is liable. and When If judgment shall be is rendered thereon, on the suit, no an appraisalment of property shall be is not allowed on the execution issued on such the judgment.

SECTION 20. IC 21-7-15 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]:

**Chapter 15. University Fund; Indiana University**

[New] Sec. 1. As used in this chapter, "board of trustees" refers to the board of trustees of Indiana University.

[New] Sec. 2. As used in this chapter, "university fund" refers to the university fund described in section 3 of this chapter.

[20-12-23-26 (part)] Sec. 26. 3. The university fund shall consist consists of the lands in Monroe and Gibson counties and following:



(1) Proceeds of sales ~~thereof, and of land in Monroe County and Gibson County.~~

(2) All donations for the use of ~~such~~ **Indiana University, where the same whenever:**

(1) **the donation for the use of Indiana University is expressly mentioned in the grant; or where, in such grant;**

(2) **the term "university only" is used in the grant.**

[21-7-5-22] Sec. ~~22~~: **4. (a)** The auditor of state shall:

(1) loan out the ~~said~~ principal of the ~~moneys~~ **money** received from the ~~several~~ county treasurers on account of ~~said~~ **the sales of university lands in Gibson County and Monroe County**, in the same manner, and requiring the same security, as other ~~portions~~ **parts** of the university fund is ~~now or may hereafter be required by law to be~~ loaned out; and ~~shall~~

(2) pay over to the treasurer of the board of trustees the interest derived from ~~said~~ **the** principal, as a part of the income of ~~the~~ **Indiana University.**

(b) The ~~said~~ auditor of state shall, in ~~his~~ **the** annual report of ~~the auditor of state~~ to the ~~legislature, general assembly,~~ report:

(1) the names of the borrowers of the whole of the university fund;

(2) the amount borrowed by each; ~~and~~

(3) the total amount on loan at the date ~~thereof, of the report;~~ and

(4) the amount of the suspended debt, if any, and in whose name forfeited.

[20-12-23-26 (part); 20-12-23-6; 20-12-23-52] Sec. **5. (a)** The principal of ~~which the~~ **university** fund, when paid into the state treasury, shall be loaned. ~~and~~

(b) **Upon a requisition of the board of trustees that is signed by the president of the board of trustees and attested by the secretary of the board of trustees,** the annual interest ~~thereon on the balance of the university fund must be~~ applied to the current expenses of ~~the~~ **Indiana University.** ~~upon~~ **The warrants must be** drawn on the treasurer of state by the auditor of state. ~~on the requisition of the board of trustees, signed by the president and attested by the secretary thereof.~~

Sec. ~~6~~: (c) The interest arising from loans of the ~~state~~ university fund, ~~shall,~~ as received at the state treasury, **shall** be paid on the warrants of the auditor of state. ~~such~~ Warrants ~~to may~~ be granted on allowances made to the persons entitled ~~thereto to the allowances by~~ the board of trustees, ~~and duly as~~ certified by ~~their the~~ **the secretary of the board of trustees.**

Sec. ~~52~~: ~~Should~~ (d) **If any interest remain on hand, remains in the university fund that is** not wanted for the use of ~~the~~ **Indiana University,** the ~~same~~ **interest** may be loaned as other funds.

[20-12-23-27] Sec. ~~27~~: **6. It shall be the duty of** The auditor of state ~~to shall~~ loan out ~~such the~~ **university** fund upon real estate security. ~~and~~



1 ~~he shall duty inform himself of~~ **The auditor of state shall determine**  
 2 the value of all real estate offered in pledge, and ~~shall be judge of the~~  
 3 validity of the title ~~thereof, and all persons applying to the real estate.~~  
 4 **A person who applies** for a loan **under this section** shall produce to  
 5 ~~said~~ **for the auditor of state** the title papers to ~~such the~~ real estate,  
 6 showing title in fee simple, without incumbrance, and not derived  
 7 through any executor's or administrator's sale or sale on execution.

8 [20-12-23-28] Sec. ~~28~~ **7**. The mortgage ~~to be taken~~ **allowed under**  
 9 **section 6 of this chapter** may be in the following form, in substance:

10 I, A. B., of the county of \_\_\_\_\_, in ~~the state of~~ Indiana,  
 11 do assign and transfer to the state of Indiana, all (here describe the  
 12 land), which I declare to be mortgaged for the payment of  
 13 \_\_\_\_\_ dollars, with interest at the rate of six ~~per cent percent~~  
 14 **(6%)** per annum, payable in advance, according to the conditions  
 15 of the note ~~hereunto~~ **annexed to this document.**

16 [20-12-23-29] Sec. ~~29~~ **8**. The note accompanying the ~~same~~  
 17 **mortgage allowed under section 6 of this chapter** may be, in  
 18 substance, as follows:

19 I, A.B., promise to pay to the state of Indiana, on or before the  
 20 \_\_\_\_\_ day of \_\_\_\_\_, the sum of \_\_\_\_\_, with interest  
 21 ~~thereon on the sum~~ at the rate of six ~~(6) per cent percent (6%)~~  
 22 per annum, in advance, ~~commencing on beginning~~ the \_\_\_\_\_ day  
 23 of \_\_\_\_\_, ~~19~~ **20** \_\_\_\_, and ~~do~~ agree that, in case of  
 24 failure to pay any installment of ~~said~~ interest, the ~~said~~ principal  
 25 ~~shall become~~ **becomes** due and collectible, together with all  
 26 arrears of interest; and on any ~~such~~ failure to pay principal or  
 27 interest when due, five ~~(5) per centum percent (5%)~~ damages on  
 28 the whole sum due shall be collected with costs, and the premises  
 29 mortgaged may be ~~forthwith~~ sold by the auditor of ~~public~~  
 30 ~~accounts (auditor of state for the payment of such the principal~~  
 31 sum, interest, damages, and costs.

32 [20-12-23-30] Sec. ~~30~~ **9**. ~~No greater sum~~ **The following apply to**  
 33 **a loan from the university fund:**

34 **(1) Not more** than five hundred dollars (\$500) ~~shall may~~ be  
 35 loaned to any one (1) person out of ~~such the university fund.~~ ~~nor~~  
 36 ~~shall~~

37 **(2) The loan may not** be for a longer period than five (5) years.  
 38 ~~and~~

39 **(3) The sum loaned** shall not exceed one-half **(1/2)** of the  
 40 appraised value of the premises to be mortgaged, clear of all  
 41 perishable improvements. ~~and~~

42 **(4) The auditor of state** may reduce the amount to be loaned on  
 43 ~~any such~~ a valuation, when, for any cause, ~~he may have the~~  
 44 **auditor of state has** reason to believe the ~~same valuation~~ was not  
 45 in proportion to the prices of similar property selling in the  
 46 vicinity. ~~such~~ **A valuation to under this subdivision must be**





made from the valuation of the same property in the assessment of the state revenue.

[20-12-23-31] Sec. ~~31~~ **10**. The rate of interest required shall be six ~~(6) per cent percent (6%)~~ in advance, payable annually. On failure to pay any installment of interest when due, the principal ~~shall forthwith become~~ **becomes** due, and the note and mortgage may be collected.

[20-12-23-32] Sec. ~~32~~ **11**. ~~Such mortgages shall be~~ **A mortgage allowed under section 6 of this chapter is** considered as of record from the date ~~thereof~~ **of the mortgage**, and ~~shall have~~ **has** priority of all mortgages or conveyances not previously recorded and of all other liens not previously incurred, in the county where the ~~land lies~~ **property is located**.

[20-12-23-33] Sec. ~~33~~ **12**. ~~It shall be the duty of~~ The auditor ~~to of~~ **state** shall have ~~such~~ mortgages **allowed under section 6 of this chapter** recorded with due diligence. The expense ~~whereof~~ **of recording a mortgage** shall be borne by the mortgagor, and may be retained out of the money borrowed.

[20-12-23-34] Sec. ~~34~~ **13**. The person applying for a loan ~~from the university fund~~ shall file with the auditor ~~of state~~ the certificate of the clerk and recorder of the county in which the ~~land lies~~ **property is located**, showing that there is no conveyance of or encumbrance on said ~~land~~ **the property** filed in either of ~~their offices~~ **office**.

[20-12-23-35] Sec. ~~35~~ **14**. ~~Such~~ The person **applying for a loan from the university fund** shall, ~~also~~, before ~~he receives~~ **receiving** the money to be loaned, ~~make swear an oath to~~ **concerning** the truth of an abstract of the title to ~~his said land~~ **the applicant's property**, and that **the applicant believes** there is no encumbrance or better claim ~~as he believes~~, upon ~~said land~~ **the property**.

[20-12-23-36] Sec. ~~36~~ **15**. On making ~~any~~ a loan ~~of such~~ **from the university fund**, the auditor ~~of state~~ shall draw ~~his~~ a warrant on the treasurer ~~of state~~ in favor of the borrower. ~~and~~ The treasurer ~~of state~~ shall pay the ~~same~~ **warrant** and charge ~~it~~ **the warrant** to the proper fund.

[20-12-23-37] Sec. ~~37~~ **16**. All loans ~~refunded~~ **repaid** and all interest shall be paid into the state treasury. ~~and~~ The ~~treasurer's~~ receipt **of the treasurer of state** shall be filed with the auditor of state, who shall give the payer a quietus for the amount ~~thereof~~ **of the repayment** and make the proper entries upon ~~his~~ **the** books.

[20-12-23-38] Sec. ~~38~~ **17**. Whenever the amount due on any mortgage ~~shall be~~ is fully paid and ~~the treasurer's~~ a receipt ~~from the treasurer of state~~ is filed ~~therefor~~, the auditor ~~of state~~ shall:

(1) endorse on the note and mortgage that the ~~same~~ **has note and mortgage** have been fully satisfied; and

(2) surrender ~~them~~ **the note and mortgage** to the person entitled ~~thereto~~ **to the note and mortgage**. ~~and~~

On the production of the ~~same~~, with ~~such~~ endorsement thereon;



**endorsed note and mortgage**, the recorder of the proper county shall enter satisfaction upon the record ~~thereof~~: **of the note and mortgage.**

[20-12-23-39] Sec. ~~39~~: **18. (a)** When the interest or principal of ~~any such a loan shall become from the university fund becomes~~ due and ~~remain~~ **remains** unpaid, the auditor of state shall ~~proceed to~~ collect the ~~same interest or principal~~ by:

(1) a suit on the note; ~~or by~~

(2) ~~the sale of the mortgaged premises;~~ **property;** or

(3) ~~the actions allowed under both subdivisions (1) and (2);~~

~~as to him may seem seems~~ most advisable **to the auditor of state.** He may, also,

(b) **In addition to the remedies provided under subsection (a), the auditor of state may,** by proper action, obtain possession of the mortgaged ~~premises;~~ **property.**

[20-12-23-40] Sec. ~~40~~: **19.** In ~~case of a suit on such a note under section 18 of this chapter and judgment thereon, in the suit,~~ no stay of execution or appraisal of property ~~shall be~~ **is** allowed.

[20-12-23-41] Sec. ~~41~~: **20.** ~~On~~ Upon the failure to pay ~~any the~~ interest or principal when due on ~~any such a mortgage as described in section 18 of this chapter,~~ the auditor of state shall advertise the mortgaged property for sale in **at least one (1) or more of the newspapers printed newspaper published** in this state, ~~Indiana~~ for sixty **(60)** days. ~~such The advertised sale to must take place at the courthouse door in Indianapolis.~~

[20-12-23-42] Sec. ~~42~~: **21.** At the time appointed for ~~such a sale under section 20 of this chapter,~~ the auditor of state and treasurer of state shall attend. ~~and The auditor of state shall make sale of so sell as much of the mortgaged premises;~~ **property** to the highest bidder for cash as will pay the amount due for principal, interest, damages, and costs of advertising and selling the ~~same;~~ **and such property.** Sales may be in parcels so that the ~~whole entire amount required be realized; owed is obtained.~~

[20-12-23-43] Sec. ~~43~~: **22.** ~~In case no one will bid If there are no bids of the full amount due as aforesaid, on the property,~~ the auditor of state shall bid ~~in the same;~~ **the full amount due,** on account of the proper fund. ~~and As soon thereafter after purchasing the property as may be, possible,~~ **the auditor of state shall sell the same property** to the highest bidder:

(1) for cash; or

(2) on a credit of five (5) years, interest being payable annually in advance.

[20-12-23-44] Sec. ~~44~~: **23.** The sale authorized in section ~~43~~ **21** of this chapter ~~shall may~~ not be for less than the amount ~~chargeable on such land;~~ **due on the property,** and if **the property is sold** for more **than the amount due,** the ~~overplus surplus~~ shall be paid to the mortgagor ~~his or the mortgagor's~~ heirs or assigns.



[20-12-23-45] Sec. ~~45~~ **24**. The treasurer of state shall attend and make a statement of such sales ~~which under section 21 of this chapter. The statement shall must be:~~

(1) signed by the auditor of state and treasurer of state; and, after being duly

(2) recorded in the ~~auditor's~~ office ~~shall be of the auditor of state; and~~

(3) filed in the ~~treasurer's~~ office and ~~such record of the treasurer of state.~~

A statement made under this section or a copy thereof, of the statement that is authenticated by the ~~auditor's or treasurer's~~ certificate of the auditor of state or the treasurer of state shall be received as evidence of the matters therein contained in the statement.

[20-12-23-46] Sec. ~~46~~ **25**. ~~When any land~~ If property is bid in purchased by the state at such a sale under section 22 of this chapter, ~~no a deed need be made therefor is not required to transfer the property~~ to the state. ~~but~~ The statement of such the sale and the record thereof of the sale made as in under section ~~45~~ **24** of this chapter required, shall vest the title in the state for the use of the fund.

[20-12-23-47] Sec. ~~47~~ **26**. In case of a sale of any such lands If property is sold under section 21 of this chapter to any a person for cash, on the production of the ~~treasurer's~~ receipt of the treasurer of state for the purchase money, the auditor of state shall give to the purchaser a certificate which shall entitle him that entitles the purchaser to a deed for said land, to be the property, executed by the governor of this state, and recorded in the office of the secretary of state.

[20-12-23-48] Sec. ~~48~~ **27**. In like manner, when any tract bid off If property is sold under section 21 of this chapter by the state is sold on a credit, on the execution and delivery of a note and mortgage for the proper amount, as in other cases required, the purchaser shall be is entitled to a deed for the same, to be property, made as prescribed provided in section ~~47~~ **26** of this chapter. and The transaction shall be entered and appear upon the ~~auditor's and treasurer's~~ books of the auditor of state and the treasurer of state as a payment of the sum bid, and a reloan of the same amount bid to the purchaser, and the proper receipts and warrants shall pass. therefor.

[20-12-23-49] Sec. ~~49~~ **28**. For the services performed of the ~~auditor and treasurer~~ in conducting such sales under section 21 of this chapter, they shall be the auditor of state and treasurer of state are entitled to receive five ~~(5) per cent percent (5%)~~ damages chargeable on such to the sales.

[21-7-6-1] Sec. ~~+~~ **29**. The auditor of state and the treasurer of state, for the management of the university fund, ~~shall be; are~~ jointly entitled to receive five ~~(5) per cent percent (5%)~~ upon the interest paid in on such the university fund. and it shall not be lawful for them; or either



of them; to The auditor of state and the treasurer of state may not make any other charges against the same: university fund.

[20-12-23-50] Sec. 50: 30. The auditor of state and treasurer of state shall:

(1) keep fair accurate and regular entries records of the sums received and paid out on account of said the university fund; and shall

(2) include the same records in their annual reports.

[20-12-23-51] Sec. 51: 31. In addition thereto, to the requirements set forth in section 30 of this chapter, the auditor of state shall keep fair accurate and regular accounts with the borrowers of said from the university fund, and shall report the names of borrowers with his in the annual report of the auditor of state.

[21-7-2-1 (part)] Sec. 32. In all cases where Whenever:

(1) the auditor of state has made loans from the university fund college fund; or the permanent endowment fund of the Indiana State University; which said loans that were secured by a mortgage upon real estate; property; and when said

(2) the mortgaged premises have been heretofore or which may be hereafter are forfeited to the state for nonpayment of the amount due thereon; or have been heretofore or hereafter shall be bid in are purchased for the state by the auditor of state for the benefit of said respective funds the fund; and where said

(3) the mortgaged premises when sold according to law after having been forfeited or bid in by the auditor of state have failed or shall fail to sell for a sum sufficient to satisfy the principal and interest of the loan made and the damages; accrued by reason of such failure and costs;

the auditor of state shall bring suit on the note executed by the mortgagor for the deficiency, for which deficiency the maker shall be is liable. and When If judgment shall be is rendered thereon; on the suit, no an appraisal of property shall be is not allowed on the execution issued on such the judgment.

[21-7-6-2] Sec. 2: The time for the final payments to be made by the holders of the original certificates for the purchase of lands reserved and granted to the state university of Indiana; in the case of all such certificates as have heretofore been issued and are now outstanding; be extended for the further term of three (3) years from the time when the same may respectively fall due:

[21-7-6-3] Sec. 3: Any and all holders of such certificates; as aforesaid; who have forfeited such lands by the non-payment of interest on the purchase-money; shall be exempted and released from such forfeiture by paying to the commissioner of such lands; on or before the first day of August in the year 1855; all interest due on the same; together with the interest upon the amount due at the time of such forfeiture up to the time of said payment; and upon such payment being



made in the manner and within the time herein specified; the holder of such certificate shall have the same rights under it as if such forfeiture had never occurred:

[21-7-6-4] Sec. 4: If any portion of said lands forfeited on March 3, 1855; shall not have been redeemed on August 1, 1855; as provided in section 3 of this chapter; it shall be the duty of the commissioner of such reserved lands to sell the same for the best price he can obtain; not less than the original purchase price; allowing the purchaser a credit on the same as provided by law. If any such lands shall be forfeited after March 3, 1855; it shall be the duty of such commissioners; if the same be not redeemed within six (6) months from the time of such forfeiture; to sell the same on the terms provided in this section. For his services in effecting such sales; the commissioner shall be entitled to retain; out of the first money received from the purchasers; five percent (5%) upon the amount of the purchase price of such lands:

[20-12-23-5] Sec. 5: The trustees of said university shall receive the proceeds of the sales and rents of the three (3) reserved sections in the seminary township in Monroe County; and the same shall be paid to the treasurer of said trustees; on their order:

IC [21-7-5-1] Sec. 1: The board of trustees of the Indiana University shall cause to be appraised the land granted by the United States to the state of Indiana for the use of the said university:

[21-7-5-2] Sec. 2: It shall be the duty of the trustees; when the appraisement shall have been made; to record the same upon their books; and to file a copy of the same in the land office division of the department of administration; to be recorded in that office; and also; to file copies of such appraisements of the lands in their respective counties in the office of the auditor of the county where the lands are situate; to be by the county auditor recorded:

[21-7-5-3] Sec. 3: The auditor of each of the said counties shall; upon said appraisements being filed as aforesaid; and when required so to do by the said board of trustees; offer for sale so much of the said lands as may be within their respective counties at public auction; in the manner hereinafter mentioned:

[21-7-5-4] Sec. 4: Notice of the time; place; and conditions of such sale shall be given by publication for four (4) weeks successively in a newspaper published in such county; if any there be; if not; in a newspaper in the state published nearest thereto; and also by posting up written or printed notices thereof in three (3) of the most public places in the township in which the lands are situated; and a like notice at the courthouse door at the county seat:

[21-7-5-5] Sec. 5: The place of sale for said lands shall be at the courthouse in each county of this state in which the said lands may be situated; and it shall be the duty of the county auditor to attend at the courthouse of his county at the time mentioned in the notice of the sale of said lands; and offer for sale at public auction; in legal subdivisions;



and as near as practicable in half quarter sections; all the lands lying within his county; and for that purpose shall continue the sale from day to day until all of the said lands shall have been offered for sale:

[21-7-5-6] Sec: 6: The said lands shall be offered for sale at the time and place mentioned in such publication; and struck off to the highest bidder by said county auditor and county treasurer; for a price not less than the appraised value thereof; one-fourth of the purchase money to be paid in hand; and the remaining three-fourths at the expiration of ten (10) years from the date of such sale; with interest annually in advance; at the rate of seven (7) per cent per annum; upon the residue or deferred payment:

[21-7-5-7] Sec: 7: When any of said lands; offered at public sale as aforesaid; shall remain unsold; they shall be subject to private entry with the county auditor and county treasurer of each county; upon the same terms and conditions as lands sold at public auction; for a sum not less than the appraised value thereof; by any person applying to enter the same:

[21-7-5-8] Sec: 8: When any sale shall be effected; either at public or private sale as foresaid; the county auditor shall give to the purchaser thereof a certificate; signed by him officially; bearing date on the day of sale; stating therein the name of the purchaser; the tract or tracts of land purchased by him; the number of acres contained in said tract or tracts; the price per acre; and the whole sum for which the same was sold; the amount of principal paid; and the amount of interest paid in advance:

[21-7-5-9] Sec: 9: Said certificate shall be registered by the county auditor in a book provided for that purpose; by entering in said book a correct copy thereof:

[21-7-5-10] Sec: 10: Said certificate of entry shall be evidence of title to the land therein mentioned in the persons in whose names they shall issue; or their assigns; and shall be assignable; provided such assignments be acknowledged before the auditor of the county wherein the land is situated (who is hereby authorized to take such acknowledgments); and recorded by said auditor in a book to be kept by him for that purpose; for which service the said auditor shall be entitled to receive a fee of fifty (50) cents; to be paid by the assignor of such certificate:

[21-7-5-11] Sec: 11: On failure of any purchaser to pay any instalment of interest on said deferred payment of purchase money; when the same becomes due; the contract shall become forfeited; and the land shall immediately revert to the state for the use of said university; and the county auditor shall forthwith proceed to sell the same in the manner and on the terms hereinbefore specified for said public sales:

[21-7-5-12] Sec: 12: If; on such subsequent sale; such lands shall produce more than is sufficient to pay the sum owing therefor; with



1 interest and costs, and five (5) per cent damages upon the amount due  
 2 on such lands; the surplus shall, when collected, be paid over to the  
 3 purchaser so forfeiting or his legal representative.

4 [21-7-5-13] Sec. 13: At any time before such subsequent sale;  
 5 payment of the sum due, with interest for the delay, and all costs,  
 6 together with two (2) per cent damages upon the amount due on such  
 7 lands; shall prevent such sale and revive the original contract.

8 [21-7-5-14] Sec. 14: The former owner of any lands sold as  
 9 delinquent; his heirs, executors or administrators, may, at any time  
 10 within one (1) year after such re-sale, redeem the same by paying to the  
 11 purchaser, his heirs or assigns, or to the county treasurer, for him or  
 12 them, the amount of purchase money paid by such purchaser, together  
 13 with all subsequent payments, either of principal or interest, which  
 14 such purchaser, or those claiming under him, may have made thereon;  
 15 with interest at the rate of ten (10) per cent per annum.

16 [21-7-5-15] Sec. 15: The board of trustees may require security  
 17 from the purchaser at any of said sales, sufficient to prevent any waste  
 18 being committed upon the lands by the removal of timber therefrom or  
 19 otherwise.

20 [21-7-5-16] Sec. 16: In case of any forfeiture as aforesaid, the  
 21 purchaser so forfeiting shall be liable, and may be sued, for  
 22 unnecessary injury or waste done to such land, and damages to double  
 23 the amount of such injury or waste recovered therefor = such suit to be  
 24 begun and prosecuted by the auditor of the county where the land lies;  
 25 in the name of the state of Indiana, for the use of the said university.

26 [21-7-5-17] Sec. 17: On full payment being made for any such land,  
 27 the county auditor shall issue to the purchaser, or the purchaser's  
 28 assignee, a final certificate therefor, which, upon presentation to the  
 29 commissioner of the department of administration, shall entitle the  
 30 owner thereof to a patent for the land described therein; to be issued by  
 31 the governor and recorded in the land office division of the department  
 32 of administration.

33 [21-7-5-18] Sec. 18: The county auditor shall make, on the first  
 34 Monday of each month, a report of the auditor's sales of lands to the  
 35 secretary of the board of trustees and to the land office division of the  
 36 department of administration, showing the date of sale, the description  
 37 of the lands sold from time to time, the number of acres, the price per  
 38 acre, the total amount each tract sold for, the amount of principal paid  
 39 and the amount of interest paid, and for all forfeitures, resales, and  
 40 redemptions thereof.

41 [21-7-5-19] Sec. 19: The county treasurer shall make a report, on the  
 42 first Monday of each month, to the treasurer of the board of trustees of  
 43 the university and to the treasurer of state, of all moneys received by  
 44 him, whether principal or interest, on account of such lands; and the  
 45 said board of trustees shall require the books of their secretary and  
 46 treasurer to be so kept as to exhibit the true condition of the accounts



1 of all such purchases and sales of the said lands.

2 [21-7-5-20] Sec. 20: The county treasurers shall on the first Monday  
3 of each month, pay over to the treasurer of state all sums received on  
4 account of the principal of the purchase-money of said lands; and shall  
5 pay to the treasurer of the board of trustees of the university all sums  
6 received on account of the interest upon the purchase-money of the said  
7 lands.

8 [21-7-5-21] Sec. 21: The several county auditors and treasurers shall  
9 receive for their services the same compensation which may, from time  
10 to time, be allowed by law for similar services in relation to the sale of  
11 common school lands; which shall be in full for all their services  
12 required in this chapter.

13 [21-7-5-25] Sec. 25: One member of the board of trustees; to be  
14 designated by the board; shall attend to the public sales of the said  
15 lands to prevent combinations injurious to the interests of the  
16 university; and he shall have power to withdraw the said lands; or any  
17 portion thereof, from sale; when, in his judgment, the interest of the  
18 university would be thereby promoted; and shall have the power and  
19 right to designate and determine in what sub-divisions any of the said  
20 lands may be sold at the time of said public sale; for the best interests  
21 of the said university.

22 [21-7-5-26] Sec. 26: No member of the board of trustees of the  
23 university shall, either directly or indirectly, become the purchaser of  
24 any such lands at any sale made by the county auditor; or by private  
25 entry with the auditor after any forfeiture of purchase; and any sale  
26 made to any member of the said board; contrary to the provisions of  
27 this section; shall be absolutely void; and the purchase money and  
28 interest which may have been paid thereon shall be forfeited to the  
29 university fund.

30 [21-7-5-27] Sec. 27: The commissioners of the university lands in  
31 Gibson and Monroe Counties; and the several county auditors and  
32 treasurers of the counties in which any of the university lands are  
33 situated; shall furnish such information in relation to the lands and  
34 other property of the university; as may, from time to time, be required  
35 of them by the said board of trustees; and shall report, annually; the  
36 amount of unpaid purchase money due on the lands sold for the use of  
37 the said university in each of their counties.

38 [20-12-23-53] Sec. 53: The care and disposition of the lands  
39 belonging to and for the use of said university; remaining unsold or  
40 unpaid for; shall be vested in the present commissioners of the reserved  
41 townships in the counties in which such lands may lie; who shall sell  
42 such as remain unsold; and such as are forfeited for nonpayment; on  
43 such terms and under such regulations as the board of trustees of such  
44 university may provide; except that; in every instance; the interest on  
45 the purchase-money must be paid in advance; and no purchaser; his  
46 heirs or assigns; shall have the right to cut down or destroy timber





standing upon such land, other than for the erection of fences and buildings thereon; or for fire-wood to be used on the premises; and in fairly improving it for cultivation:

[20-12-23-54] Sec. 54: On the first payment for any such land being made, the proper commissioner shall execute to the purchaser a certificate therefor; and on final payment, the original certificate shall be surrendered to the commissioner; and by him filed away; and he shall give to the purchaser two (2) final certificates, stating the whole amount of principal and the whole amount of interest paid; one of which certificates shall be forwarded to the auditor of state; and on presentation of the other to the auditor of state; if in all things correct; he shall countersign the same; which shall entitle the owner to a patent; to be issued by the governor for the land so paid for:

[20-12-23-55] Sec. 55: Such commissioners may, from time to time; lease any such unsold improved land for terms not exceeding one (1) year; until the same can be sold; and such leases shall be guarded against trespass and waste by proper covenants:

[20-12-23-57] Sec. 57: Money collected by such commissioners shall be paid over to the treasurer of the board; who shall execute to such commissioners two (2) receipts therefor; each specifying the persons from whom such money was collected; and the amount thereof; whether for interest or principal; one of which receipts shall be immediately forwarded to the auditor of state; to be by him used in his settlement with such treasurer:

[20-12-23-58] Sec. 58: Such board shall regulate the compensation of such commissioners:

[20-12-23-59] Sec. 59: Patents for land sold shall be made by the governor and recorded in the office of the secretary of state:

SECTION 21. IC 21-7-16 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]:

#### **Chapter 16. Purdue University: Endowment Fund**

[New] Sec. 1. As used in this chapter, "fund" refers to the endowment fund for Purdue University described in section 2 of this chapter.

[21-7-11-1] Sec. ~~1~~ 2. The treasurer of state shall take in charge, hold, manage, and invest, for the use and benefit of the board of trustees of Purdue University, its endowment fund, derived from acceptance, by the state of Indiana, of the benefits and provisions of the acts of Congress, approved July 2, 1862, and April 14, 1864.

[21-7-11-2] Sec. ~~2~~ 3. ~~Said~~ The fund shall be held, managed, controlled, and invested in accordance with:

(1) 7 U.S.C. ~~301-308~~ and 301 et seq.;

(2) the further acts of Congress that are amendatory thereof or supplemental thereto; to 7 U.S.C. 301 et seq.; and in accordance with



**(3) the terms and provisions of this chapter.**

[21-7-11-3(a)] ~~Sec. 3:~~ **4. (a)** The ~~endowment~~ fund or any part thereof, ~~of the fund~~ may be invested in securities bearing ~~such the~~ rate of interest ~~as may be currently that is~~ obtainable as follows:

(1) In bonds, notes, or certificates ~~which that~~ are the obligations of, or guaranteed by, the United States.

(2) In:

**(A)** bonds of any territory or insular possession of the United States; ~~or in~~

**(B)** bonds, notes, warrants, certificates, or orders of the state of Indiana; ~~or of~~

**(C)** any political subdivision, instrumentality, or agency thereof, ~~of the state of Indiana;~~

issued ~~pursuant to~~ **under** authority of law.

[21-7-11-3(b)] ~~(b)~~ **Sec. 5.** Notwithstanding any other law to the contrary, the treasurer of state:

**(1)** on ~~such the~~ terms ~~as he that the treasurer of state~~ prescribes; and

**(2)** without the approval of the state board of finance; may make loans from the principal of the ~~Purdue University endowment fund for Purdue University to its the~~ board of trustees of **Purdue University.**

SECTION 22. IC 21-11 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]:

## **ARTICLE 11. STATE STUDENT SCHOLARSHIP COMMISSION**

### **Chapter 1. General Provisions; Definitions**

[20-12-21-1] ~~Sec. 1:~~ This chapter may be cited as the Indiana Higher Education Award Act.

[20-12-21-2] ~~Sec. 2:~~ **1.** The purposes of this ~~chapter article~~ are:

(1) to increase the ~~opportunities opportunity for to receive a~~ higher education for ~~all persons domiciled every person who~~ **resides in the state Indiana and** who, though **being highly qualified and wanting such an desiring to receive a higher** education, ~~and being highly qualified for it; are~~ is deterred by financial considerations; and

(2) to accomplish ~~this the~~ **goal described in subdivision (1)** by establishing a system of state higher education awards that will assist ~~them to select and attend the student in selecting and~~ **attending a** qualified public or private ~~institutions institution of~~ higher learning.

[New] **Sec. 2.** The definitions in this chapter apply throughout this article.

[20-12-21-3(4)] ~~(4)~~ **Sec. 3.** "Caretaker relative" means a relative by blood or law who lives with a minor and exercises parental



responsibility, care, and control over the minor in the absence of the minor's parent.

[20-12-21-3(5)] ~~(5)~~ **Sec. 4.** "Commission" means the state student assistance commission. ~~established by this chapter.~~

[20-12-21-3(8)] ~~(8)~~ **Sec. 5.** "Enrollment" means the establishment and maintenance of an individual's status as an undergraduate student in an institution of higher learning.

[20-12-21-3(9)] ~~(9)~~ **Sec. 6.** "Higher education award" means a monetary award.

## **Chapter 2. State Student Scholarship Commission**

[20-12-21-4(a)] ~~Sec. 4. 1. (a)~~ A state student assistance commission is established. The commission:

(1) is a separate body corporate and politic; ~~The commission~~

(2) is not a state agency; ~~The commission and~~

(3) performs essential governmental functions.

[20-12-21-4(b) (part)] ~~(b)~~ **Sec. 2.** The members of the commission must be citizens of Indiana and ~~shall be~~ appointed by the governor.

[20-12-21-4(b) (part)] **Sec. 3.** Each congressional district ~~shall~~ **must** be represented by one (1) member who is a resident of the district.

[20-12-21-4(b) (part)] **Sec. 4.** The governor shall appoint an at-large student member of the commission who is a student at an approved institution of higher learning. The governor shall select the student member from a list of ~~not less than at least~~ three (3) ~~nor and not~~ more than five (5) names submitted by a nominating committee consisting of students of approved institutions of higher learning.

[20-12-21-4(b) (part)] **Sec. 5.** The ~~chairman~~ **chairperson** of the commission shall appoint the members of the student nominating committee.

[20-12-21-4(c) (part)] ~~(c)~~ **Sec. 6.** ~~No~~ A member, while serving a term, may **not** be:

(1) an employee of or serve on the governing board of any:

(A) state **educational institution**; ~~or~~

(B) private college, university, postsecondary proprietary educational institution, school corporation, or other educational institution in ~~the state of~~ Indiana; ~~or be~~

(2) in any other capacity an employee or official of the state of Indiana.

However, the governor may appoint up to two (2) members affiliated with private educational institutions and up to two (2) members affiliated with public educational institutions.

[20-12-21-4(c) (part)] **Sec. 7.** At the first meeting of the commission held after August 1 of each year, the members of the commission shall select a ~~chairman~~ **chairperson**, vice ~~chairman~~ **chairperson**, and secretary from among their number.

[20-12-21-4(d)] ~~(d)~~ **Sec. 8.** A member of the commission is not



entitled to compensation, but is entitled to a per diem for attending meetings of the commission and for expenses necessarily incurred in performing the member's duties.

[20-12-21-4(e) ~~(c)~~ **Sec. 9.** The term of office of each member, except the student member, is three (3) years, beginning with August 1 of the year of appointment and continuing until the member's successor is appointed and qualified. The term of office of the student member is two (2) years, beginning with August 1 of the year of appointment and continuing until the member is no longer a student at an approved institution of higher learning or until the member's successor is appointed and qualified. **The governor shall fill vacancies. shall be filled by the governor.**

### **Chapter 3. Powers of the Commission**

[20-12-21-5(a)] ~~Sec. 5:~~ **1.** ~~(a)~~ The commission shall **do the following:**

(1) Prepare and supervise the issuance of public information concerning this ~~chapter:~~ **article and IC 21-12-2, IC 21-12-3, IC 21-12-4, and IC 21-12-5.**

(2) Prescribe the form and regulate the submission of applications for higher education awards.

(3) Conduct ~~such~~ conferences and interviews with applicants as may be appropriate.

(4) Determine the eligibility of applicants.

(5) Select qualified applicants.

(6) Determine the respective amounts of, and award, the appropriate higher education awards.

(7) Determine eligibility for, and award, annual renewals of higher education awards.

(8) Act as the designated state agency for participation in any federal program for reinsurance of student loans. ~~and~~

[20-12-21-5.1(a); 20-12-21.1-2(10) (part)] ~~Sec. 5:~~ **2.** ~~(a)~~ ~~In addition to the duties described in section 5(a) of this chapter,~~ The commission shall do the following:

(1) Prepare and supervise the issuance of public information concerning all of the commission's programs.

(2) Prescribe the form and regulate the submission of applications for all of the commission's programs.

(3) Determine the amounts of grants and scholarships.

(4) Determine eligibility for grants and scholarships.

(5) Receive federal funds made available to the commission for awards, grants, and scholarships, and disburse these funds in the manner prescribed by federal law.

~~(10) To accept, use, and disburse federal funds made available to the commission by the federal government.~~

[20-12-21-5.1(b); 20-12-21.1-2(4)] ~~(b)~~ **Sec. 3.** ~~In addition to the powers described in section 5(b) of this chapter,~~ The commission may



do the following:

(1) Accept gifts, grants, devises, or bequests ~~for the purpose of providing to provide~~ grants, awards, scholarships, loans, or other forms of financial aid to students attending approved institutions of higher learning.

(2) Enter into contracts, subject to IC 4-13-2, that the commission determines are necessary to carry out the commission's functions.

(3) Provide administrative or technical assistance to other governmental or nongovernmental entities if the provision of this assistance will increase the number and value of grants, awards, scholarships, or loans available to students attending approved institutions of higher learning.

(4) Sue and be sued in the name of the commission.

[20-12-21-5.1(c)] ~~(c)~~ **Sec. 4.** When the commission receives an offer of a gift, grant, devise, or bequest, ~~under subsection (b)(1);~~ the commission may accept ~~stipulations a stipulation~~ on the use of the donated funds. In this case, ~~sections 7(d) IC 21-12-3-11 (higher education award) and 17 of this chapter IC 21-12-4-4 (freedom of choice grant)~~ do not apply. Before accepting a gift, grant, devise, or bequest, the commission shall determine that the purposes for which a donor proposes to provide funds are:

(1) lawful;

(2) in the state's best interests; and

(3) generally consistent with the commission's programs and purposes.

Whenever the commission agrees to ~~stipulations a stipulation~~ on the use of donated funds, ~~under this subsection;~~ the commission and the donor, ~~shall;~~ subject to approval by the budget agency and the governor or the governor's designee, **shall** execute an agreement.

[20-12-21-5.1(d)] ~~(d)~~ **Sec. 5. (a) This section applies** whenever the commission agrees to provide administrative or technical assistance ~~under subsection (b)(3); to other governmental or nongovernmental entities to increase the number and value of grants, awards, scholarships, or loans available to students attending approved institutions of higher learning.~~

**(b)** The commission and the party to whom the assistance is to be provided shall execute an agreement specifying:

(1) the assistance that is to be provided; and

(2) the charges, if any, that are to be assessed by the commission for providing this assistance.

The commission may waive charges for administrative or technical assistance under this ~~subsection section~~ if the commission determines that a waiver is in the best interest of the state. ~~Agreements An agreement~~ to provide assistance ~~under this subsection~~ must be approved by the budget agency and the governor or the governor's designee.



#### Chapter 4. Personnel; Administration

~~[20-12-21-4(f)]~~ ~~(f)~~ **Sec. 1.** ~~In addition to the appointment of the commission members under this section,~~ The governor shall appoint an executive director to administer the programs of the commission.

~~[20-12-21-5.5]~~ ~~Sec. 5-5:~~ **2.** The executive director may engage personnel and procure supplies and facilities necessary to carry out the commission's functions under this ~~chapter article~~, **IC 21-12-2, IC 21-12-3, IC 21-12-4, IC 21-12-5,** and ~~IC 20-12-21-1.~~ **IC 21-16-4.** The executive director shall, with commission approval, appoint:

(1) a program director to administer this ~~chapter article~~, **IC 21-12-2, IC 21-12-3, IC 21-12-4, and IC 21-12-5;** and

(2) a program director to administer ~~IC 20-12-21-1.~~ **IC 21-16-4.**

~~[20-12-20.5-2(c)]~~ ~~(c)~~ **Sec. 3.** The executive director of the commission may:

(1) employ; or

(2) contract for; ~~such~~

clerical and professional staff and administrative support as necessary to implement ~~this chapter.~~ **IC 21-16-2.**

#### Chapter 5. Fiscal Administration

~~[20-12-21-19]~~ ~~Sec. 19:~~ **1.** The commission for higher education shall review the budget request of the commission and make recommendations to the governor and the general assembly concerning appropriations to the commission. In making the review, the commission for higher education may request and shall receive complete information concerning all receipts and all expenditures from the commission.

#### Chapter 6. Administration of Awards

~~[20-12-21-5(c)]~~ ~~(c)~~ **Sec. 1.** The commission shall exercise its functions without regard to an applicant's race, creed, sex, color, national origin, or ancestry.

~~[20-12-21-5.1(e)]~~ ~~(e)~~ ~~The commission shall exercise its functions without regard to an applicant's race, creed, sex, color, national origin, or ancestry.~~

#### Chapter 7. Determination of Residency

~~[20-12-21-5.6(a)]~~ ~~Sec. 5-6:~~ **1.** (a) This ~~section~~ **chapter** applies to a person:

(1) who is a dependent student;

(2) who is a graduate of a high school located in Indiana or recipient of the state of Indiana general educational development (GED) diploma under **IC 20-20-6 or IC 20-10.1-12.1 (before its repeal);**

(3) who, on the date that eligibility is determined by the commission, has resided in Indiana with a caretaker relative who is a resident of Indiana for at least four (4) years; and

(4) whose legal parent:

(A) is currently; or



(B) has been; ~~in the past;~~

a resident of Indiana for at least three (3) consecutive years.

[20-12-21-5.6(b)] ~~(b)~~ **Sec. 2.** In determining the eligibility of a person ~~described in subsection (a)~~ to receive financial aid administered by the commission under ~~this chapter~~ or any other law, the commission shall use the residence or domicile of the **person's** caretaker relative ~~referred to in subsection (a)(3)~~ to determine the person's residence or domicile.

#### **Chapter 8. Training Programs; Inspections and Audits**

[20-12-21-10.5(1)] ~~Sec. 10.5. 1.~~ The commission and the commission on proprietary education ~~(1)~~ shall cooperate in developing training programs concerning grant program requirements. ~~and~~

[20-12-21-10.5(2)] **Sec. 2.** The commission and the commission on proprietary education ~~(2)~~ may, subject to written advance notice, inspect and audit the records of a postsecondary proprietary educational institution concerning a student ~~grants~~ **grant** awarded under ~~this chapter~~. **IC 21-12-3, IC 21-12-4, or IC 21-12-5.**

#### **Chapter 9. Rules; Advisory Boards**

[20-12-21-5(b) (part)] ~~(b)~~ **Sec. 1.** The commission may:

- (1) make ~~such~~ rules ~~as may be~~ necessary to carry out its functions; ~~under this chapter;~~ and
- (2) appoint advisory boards ~~as~~ it considers necessary.

[20-12-21-5(a) (part)] ~~(9)~~ **Sec. 2.** ~~The commission shall~~ adopt rules under IC 4-22-2 to develop standards that govern the denial of assistance to higher education award applicants and recipients under ~~section 7-6 of this chapter~~. **IC 21-12-3-13.**

[20-12-21-5.2] ~~Sec. 5-2. 3.~~ (a) The commission shall:

- (1) adopt:
  - (A) rules under IC 4-22-2; or
  - (B) a policy;
 establishing a code of ethics for its employees; or
- (2) decide it wishes to be under the jurisdiction and rules adopted by the state ethics commission.

(b) A code of ethics adopted by rule or policy under this section must be consistent with state law and approved by the governor.

[20-12-70-15] ~~Sec. 15. 4.~~ The commission shall adopt rules under IC 4-22-2 to implement ~~this chapter~~. **IC 21-12-6,** including:

- (1) rules regarding the establishment of appeals procedures for individuals who become disqualified from the program under ~~section 12 of this chapter~~. **IC 21-12-6-9;** and
- (2) notwithstanding ~~section 2 of this chapter~~. **IC 21-12-6-5,** rules that may include students who are in grades other than grade 8 as eligible students.

[20-12-70.1-9] ~~Sec. 9. 5.~~ The commission shall adopt rules under IC 4-22-2 to implement ~~this chapter~~. **IC 21-12-7.**

[20-12-21.7-12] ~~Sec. 12. 6.~~ The commission shall adopt rules under



IC 4-22-2 to implement ~~this chapter~~, **IC 21-13-2**, including rules governing the enforcement of the agreements under ~~section 9.1(a)(3) of this chapter~~. **IC 21-13-2-5.**

[20-12-21.9-10] Sec. ~~10~~ **7**. The commission shall adopt rules under IC 4-22-2 **that are** necessary to carry out ~~this chapter~~, **IC 21-13-3**, including rules governing the enforcement of the agreements **made** under ~~section 8(a)(2) of this chapter~~. **IC 21-13-3-5.**

[20-12-19.3-9] Sec. ~~9~~ **8**. The ~~commissioner~~ **commission** may adopt rules under IC 4-22-2 to implement ~~this chapter~~. **IC 21-15-5.**

[20-12-20.5-2(b)] ~~(b)~~ **Sec. 9**. The commission shall adopt rules under IC 4-22-2 to implement ~~this chapter~~. **IC 21-16-2.**

[20-12-21.1-2(6)] ~~(6)~~ **Sec. 10**. ~~To~~ **The commission may make adopt** rules and internal policy to effectuate the purposes of ~~this chapter~~. **IC 21-16-4.**

SECTION 23. IC 21-12 IS ADDED TO THE INDIANA CODE AS A **NEW** ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]:

## **ARTICLE 12. GENERAL SCHOLARSHIPS AND GRANTS**

### **Chapter 1. General Provisions; Definitions**

[New] **Sec. 1. The definitions in this chapter apply throughout this article.**

[20-12-22.1-1] Sec. ~~1~~ **2**. ~~As used in this chapter~~, "Academic term" means a semester or a quarter, whichever applies.

[20-12-21-3(1); 20-12-22.1-2] ~~(1)~~ **Sec. 3**. ~~As used in this chapter~~, "Academic year" means the period from September 1 of a year through August 31 of the next ~~succeeding~~ year.

[20-12-21-5.1(f) (part)] **Sec. 4**. ~~As used in this subsection~~, "Active duty" means full-time service in:

(1) the National Guard (as defined in IC 10-16-1-13); or

(2) any reserve component of the:

(A) Indiana National Guard; or

(B) armed forces;

that exceeds thirty (30) consecutive days in a calendar year.

[20-12-21-3(2); New; 20-12-22.1-3] ~~(2)~~ **Sec. 5. (a)** "Approved institution of higher learning", **except as provided in subsections (b) and (c)**, means the following:

~~(A)~~ **(1)** An educational institution that operates in ~~the state~~ **Indiana** and:

~~(i)~~ **(A)** provides an organized two (2) year or longer program of collegiate grade directly creditable toward a baccalaureate degree;

~~(ii)~~ **(B)** is either operated by the state or operated **not for profit**; **nonprofit**; and

~~(iii)~~ **(C)** is accredited by a recognized regional accrediting agency or by the commission on proprietary education.

~~(B)~~ **(2)** Ivy Tech Community College. ~~of Indiana.~~





~~(C)~~ (3) A hospital ~~which that~~ operates a nursing diploma program ~~which that~~ is accredited by the Indiana state board of nursing.

~~(D)~~ (4) A postsecondary proprietary educational institution that meets the following requirements:

(i) (A) Is incorporated in Indiana, or is registered as a foreign corporation doing business in Indiana.

(ii) (B) Is fully accredited by and is in good standing with the commission on proprietary education.

(iii) (C) Is accredited by and is in good standing with a regional or national accrediting agency.

(iv) (D) Offers a course of study that is at least eighteen (18) consecutive months in duration (or an equivalent to be determined by the commission on proprietary education) and that leads to an associate or a baccalaureate degree recognized by the commission on proprietary education.

(v) (E) Is certified to the commission by the commission on proprietary education as meeting the requirements of this ~~clause~~ subdivision.

(b) "Approved institution of higher learning", for purposes of IC 21-12-6, refers to an institution of higher learning that is approved by the commission under IC 21-12-6-4.

~~Sec. 3: (c) As used in this chapter,~~ "Approved institution of higher learning", for the purposes of IC 21-12-8, means an educational institution that:

(1) operates in Indiana;

(2) is either operated by the state or operated ~~not for profit;~~ nonprofit;

(3) operates an organized program of ~~post-secondary~~ postsecondary education leading to a technical certificate, nursing diploma, or associate or baccalaureate degree; and

(4) is accredited by:

(A) a recognized regional accrediting agency;

(B) the Indiana commission on proprietary education; or

(C) the Indiana state board of nursing.

[20-12-21-3(3); 20-12-22.1-4] ~~(3)~~ Sec. 6. "Approved secondary school" means:

(1) a public high school located in ~~the state~~ Indiana; and

(2) any school, located in or outside ~~the state;~~ Indiana that in the judgment of the ~~state~~ superintendent provides a course of instruction at the secondary level and maintains standards of instruction substantially equivalent to those of public high schools located in ~~the state;~~ Indiana.

[20-12-70-1] Sec. ~~4:~~ 7. ~~As used in this chapter,~~ "Commission" refers to the state student assistance commission. ~~established under IC 20-12-21-4.~~

[20-12-70.1-2] Sec. ~~2:~~ 8. ~~As used in this chapter,~~ "Contributor"



means an individual or a for profit corporation, partnership, or other for profit entity.

[New] **Sec. 9. "Eligible student" refers to an individual who qualifies to participate in the twenty-first century scholarship program under IC 21-12-6-5.**

[20-12-21-5.1(f) (part)] **Sec. 10. "Frank O'Bannon grant" which includes refers to grants formerly designated as the following:**

(1) The higher education award. ~~and~~

(2) The freedom of choice award.

[20-12-70-3; 20-12-70.1-4; 20-12-22.1-6] ~~Sec. 3:~~ **11. As used in this chapter, "Fund":**

(1) **for purposes of IC 21-12-6,** refers to the twenty-first century scholars fund established ~~under section 9 of this chapter: by IC 21-12-6-2;~~

~~Sec. 4: As used in this chapter, "support fund"~~ (2) **for purposes of IC 21-12-7,** refers to the twenty-first century scholars program support fund established ~~under section 5 of this chapter: by IC 21-12-7-1;~~

~~Sec. 6: As used in this chapter, "fund"~~ (3) **for purposes of IC 21-12-8,** refers to the part-time student grant fund established by ~~section 8 of this chapter: IC 21-12-8-1.~~

[20-12-70-4] ~~Sec. 4:~~ **12. As used in this chapter, "Institution of higher learning" means the following:**

(1) A state educational institution. ~~(as defined in IC 20-12-0.5-1):~~

(2) A private institution of higher education. ~~(as defined in IC 20-12-63-3):~~

(3) A postsecondary proprietary educational institution ~~(as defined in IC 20-1-19-1)~~ that is accredited by an accrediting agency recognized by the United States Department of Education.

[20-12-22.1-7] ~~Sec. 7:~~ **13. As used in this chapter, "Part-time student grant" refers to a monetary award under IC 21-12-8 from the part-time student grant fund.**

[20-12-63-3(10); 20-12-70-4(2)] **Sec. 14. "Private institution of higher education" means a nonprofit educational institution with a principal office in Indiana that:**

~~(A)~~ (1) is not owned or controlled by the state of Indiana or any political subdivision, agency, instrumentality, district, or municipality of the state of Indiana;

~~(B)~~ (2) is authorized by law to provide a program of education beyond the high school level;

~~(C)~~ (3) admits as regular students only individuals having a certificate of graduation from a high school, or the recognized equivalent of ~~such~~ a certificate **of graduation from a high school;**

~~(D)~~ (4) provides an educational program:

(i) (A) for which the institution awards an associate degree;



(ii) **(B)** for which the institution awards a bachelors degree;  
 (iii) **(C)** admission into which is conditioned upon that  
**requires for admission** the prior attainment of a bachelor's  
 degree or equivalent **and** for which the institution awards  
 either a post graduate degree or provides not less than a two  
 (2) year program **which that** is acceptable for full credit  
 toward a post graduate degree; or

(iv) **(D)** of two (2) years duration in engineering, mathematics,  
 or the physical or biological sciences **which and** is designed to  
 prepare the student to work as a technician and at a  
 semiprofessional level in engineering, scientific, or other  
 technological fields **which that** require the understanding and  
 application of basic engineering, scientific, or mathematical  
 principles or knowledge;

~~(E)~~ **(5)** is accredited by a nationally recognized accrediting agency  
 or association or, if not so accredited **by a nationally recognized**  
**accrediting agency or association**, is an institution whose credits  
 are accepted on transfer by ~~not less than~~ **at least** three (3)  
 institutions **which that** are so accredited **by a nationally**  
**recognized accrediting agency or association** for credit on the  
 same basis as if transferred from an institution so accredited **by**  
**a nationally recognized accrediting agency or association**; and  
~~(F)~~ **(6)** does not discriminate in the admission of students on the  
 basis of race, color, or creed.

[20-12-70-5] Sec. 5: **15.** ~~As used in this chapter,~~ "Program" refers  
 to the twenty-first century scholars program established ~~under by~~  
 section 8 of this chapter. **IC 21-12-6-1.**

[20-12-70-7] Sec. 7: **16.** ~~As used in this chapter,~~ "Tuition  
 "Scholarship" means financial assistance provided to a student to offset  
 the costs of tuition and other regularly assessed fees incurred by the  
 student in attending an institution of higher learning refers to a  
 twenty-first century scholarship awarded under IC 21-12-6.

[New] Sec. 17. "Scholarship applicant" refers to an individual  
 who qualifies for a twenty-first century scholarship under  
 IC 21-12-6-6.

[New] Sec. 18. "Scholarship recipient" refers to an individual  
 who is awarded a twenty-first century scholarship under  
 IC 21-12-6.

## **Chapter 2. Exclusion of Military Compensation from Financial Resources; Frank O'Bannon Grants**

[20-12-21-5.1(f) (part)] ~~(f)~~ **Sec. 1. (a)** This subsection section  
 applies to a person called to active duty after September 11, 2001. ~~As~~  
 used in this subsection, "Active duty" means full-time service in:

- (1) the National Guard (as defined in IC 10-16-1-13); or
- (2) any reserve component of the:
- (A) Indiana national guard; or



(B) armed forces;  
that exceeds thirty (30) consecutive days in a calendar year.

(b) When determining financial eligibility under subsection (a)(4) for a Frank O'Bannon grant, which includes grants formerly designated as the higher education award and the freedom of choice award, the commission may exclude any salary for service on active duty.

### Chapter 3. Higher Education Awards

[20-12-21-6(a)] Sec. ~~6~~ 1. (a) An applicant is eligible for a first year higher education award under this chapter if the student meets the following requirements:

(1) The applicant is a resident of Indiana, as defined by the commission.

(2) The applicant:

(A) has successfully completed the program of instruction at an approved secondary school;

(B) has been granted a:

(i) high school equivalency certificate before July 1, 1995;  
or

(ii) state of Indiana general educational development (GED) diploma under **IC 20-20-6 or IC 20-10.1-12.1 (before its repeal)**; or

(C) is a student in good standing at an approved secondary school and is engaged in a program that in due course will be completed by the end of the current academic year.

(3) The financial resources reasonably available to the applicant, as defined by the commission, are such that, in the absence of ~~an~~ **a higher education** award under this chapter, the applicant would be deterred from completing the applicant's education at the approved institution of higher learning that the applicant has selected and that has accepted the applicant. In determining the financial resources reasonably available to an applicant to whom ~~section 5-6 of this chapter~~ **IC 21-11-7** applies, the commission must consider the financial resources of the applicant's legal parent.

(4) The applicant will use the award initially at that institution.

(5) If the student is already enrolled in an approved institution of higher learning, the applicant must be a full-time student and be making satisfactory progress, as determined by the commission, toward a first baccalaureate degree.

(6) The student declares, in writing, a specific educational objective or course of study and enrolls in:

(A) courses that apply toward the requirements for completion of that objective or course of study; or

(B) courses designed to help the student develop the basic skills that the student needs to successfully achieve that objective or continue in that course of study.



[20-12-21-6(b)] ~~(b)~~ **Sec. 2.** A higher education award recipient is not eligible for assistance after the recipient has received an award for a total of eight (8) semesters or twelve (12) quarters of postsecondary school education.

[20-12-21-6(c)] ~~(c)~~ **Sec. 3.** To maintain eligibility a student is not required to:

- (1) attend an institution of higher learning; or
- (2) receive an award;

in consecutive semesters or quarters. However, a recipient's eligibility for an award does not extend more than ten (10) years after the date that the initial award is granted.

[20-12-21-6.1(a)] ~~Sec. 6.1:~~ **4.** ~~(a)~~ A student who:

- (1) participates in:

(A) a nursing diploma program ~~which that~~ is accredited by the Indiana state board of nursing and operated by a hospital;

(B) a technical certificate or associate degree program at Ivy Tech Community College; ~~of Indiana~~; or

(C) an associate degree program at a postsecondary proprietary educational institution that ~~meets the requirements of section 3(2)(D) of this chapter~~; **qualifies as an approved institute of higher learning**; and

- (2) meets the requirements ~~of section 6 sections 1, 2, and 3 of this chapter for a first year higher education award~~ except the requirement of satisfactory progress toward a first baccalaureate degree; ~~set forth in section 6(a)(5) of this chapter~~;

is eligible to receive a state higher education award under this chapter. However, ~~such a~~ the student must make satisfactory progress toward obtaining the diploma, technical certificate, or associate degree to remain eligible for the award.

[20-12-21-6.1(b)] ~~(b)~~ **Sec. 5. (a)** **This section applies to the maximum grant that may be offered to an eligible student for an associate degree program at a postsecondary proprietary educational institution that qualifies as an approved institution of higher learning.**

**(b)** The maximum amount of a grant that may be offered to an eligible student in a program at **a postsecondary proprietary educational an institution of higher learning described in section 3(2)(D) of this chapter** is equal to the maximum amount of an award the student could receive under this chapter if the student were enrolled at Ivy Tech Community College. ~~of Indiana~~.

[20-12-21-6.2] ~~Sec. 6.2:~~ **6.** In determining the financial resources available to a student ~~under section 6(a)(3) of this chapter~~; **for a higher education award**, the commission may not consider principal or interest, including an original issue discount that qualifies as interest excludable from gross income for federal income tax purposes, on a bond that is:



(1) issued by a:

(A) public body corporate and politic of the state; or

(B) **higher education state educational** institution; ~~(as defined in IC 20-12-5.5-1);~~

designated by the governor as a college savings bond and purchased after December 31, 1989; or

(2) a United States savings bond purchased after December 31, 1989, if the interest is claimed as exempt from federal taxation under Section 135 of the Internal Revenue Code.

[20-12-21-6.5] ~~Sec. 6-5:~~ **7.** The commission shall publish and make available to ~~all applicants~~ **every applicant** all its rules governing the awarding and denial of higher education awards. ~~Such~~ **The** rules ~~shall~~ **must** state specifically the conditions under which ~~awards an award~~ once issued may be withdrawn or reduced.

[20-12-21-7(a)] ~~Sec. 7:~~ **8. (a)** For each academic year, first year higher education awards shall be issued to as many qualified persons as the ~~then~~ current biennial appropriation allows. ~~Those~~ Applicants who are least able to provide funds for the cost of education shall be given priority in the awarding of higher education award funds.

[20-12-21-7(b)] ~~(b)~~ **Sec. 9.** A higher education award for a student in a program leading to a baccalaureate degree may be renewed for a total of three (3) academic years following the academic year of the first award or until ~~such an~~ earlier time as the student receives a degree normally obtained in four (4) academic years. A higher education award for a student in a program leading to a technical certificate or an associate degree may be renewed for the number of academic years normally required to obtain a certificate or degree in the student's program. The commission may grant ~~such~~ a renewal only upon application and only upon its finding that:

(1) the applicant has successfully completed the work of a preceding year;

(2) the applicant remains domiciled in ~~the state;~~ **Indiana;**

(3) ~~based on the financial requirement set forth in section 6(a)(3) of this chapter;~~ the recipient's financial situation continues to warrant an award, **based on the financial requirement set forth in section 1(3) of this chapter;** and

(4) the applicant is eligible under section ~~6(b) 2~~ and ~~6(c) 3~~ of this chapter.

[20-12-21-7(c)] ~~(c)~~ **Sec. 10.** Out of funds available after commitments have been met under ~~subsections (a) and (b);~~ **sections 8 and 9 of this chapter,** awards shall be issued to persons who have successfully completed **at least** one (1) but not more than three (3) academic years in approved institutions of higher learning, if they meet the eligibility requirements of: ~~section 6~~

**(1) sections 1, 2, and 3 of this chapter;** or ~~6-1~~

**(2) sections 4 and 5 of this chapter.** ~~Such~~



The awards shall be handled on the same basis as renewals under ~~subsection (b):~~ **section 9 of this chapter.**

[20-12-21-7(d)] ~~(d)~~ **Sec. 11.** A higher education award issued under this section **and sections 8, 9, and 10 of this chapter** extends to all educational costs for the academic year for which the award is made, but only to the extent of:

(1) current financial need (as measured under section ~~6(a)(3)~~ **1(3)** of this chapter); or

(2) the maximum fees regularly assessed to resident undergraduates at any Indiana public institution of higher learning, as determined annually by the commission; whichever is smaller.

[20-12-21-7.1] ~~Sec. 7-1.~~ **12.** In determining ~~the~~ **which** applicants ~~that~~ are least able to provide funds for the cost of education under section ~~7(a)~~ **8** of this chapter, the commission may not consider principal or interest, including an original issue discount that qualifies as interest excludable from gross income for federal income tax purposes, on a bond that is:

(1) issued by a:

(A) public body corporate and politic of the state; or

(B) ~~higher education state educational~~ **institution**; ~~(as defined in IC 20-12-5.5-1);~~

designated by the governor as a college savings bond and purchased after December 31, 1989; or

(2) a United States savings bond purchased after December 31, 1989, if the interest is claimed as exempt from federal taxation under Section 135 of the Internal Revenue Code.

[20-12-21-7.6] ~~Sec. 7-6.~~ **13.** The commission may deny assistance under this chapter to a higher education award applicant or recipient who is:

(1) convicted of a felony;

(2) sentenced to a term of imprisonment for that felony; and

(3) confined for that felony at a penal facility (as defined in ~~IC 35-41-1-2~~ **IC 35-41-1-21**).

[20-12-21-9] ~~Sec. 9-~~ **14.** The commission shall certify to the auditor of state the ~~names~~ **name** and ~~addresses~~ **address** of ~~the applicants~~ **every applicant** to whom ~~awards an award have~~ **has** been issued. An award is effective during the academic year immediately following its award, and records and accounts relating to it shall be kept accordingly.

[20-12-21-10(a)] ~~Sec. 10-~~ **15.** ~~(a)~~ An applicant to whom the commission has issued an award may apply for enrollment as a student in any approved institution of higher learning. However, the institution is not required to accept ~~him~~ **the applicant** for enrollment, and ~~it~~ **the institution** may require compliance with its own admissions requirements. If ~~it~~ **the institution** accepts ~~him~~ **the applicant**, it shall give written notice to the commission. The institution is entitled to the



1 payments of tuition and other necessary fees and charges provided by  
 2 the award ~~for credit only against the student's obligation for them that~~  
 3 **are incurred by the applicant.** It shall provide facilities and  
 4 instruction to the ~~student applicant~~ on the same terms as to other  
 5 students.

6 [20-12-21-10(b)] ~~(b)~~ **Sec. 16.** If during an academic period a student  
 7 enrolled in an institution under an award ~~issued~~ under this chapter  
 8 ceases for any reason to be a student in good standing, the institution  
 9 shall promptly give written notice to the commission as to the change  
 10 of status and the reason for it. If under its current standards a fee or  
 11 charge that has been paid as part of an award under this chapter would  
 12 otherwise be ~~remissible~~ **refunded** by the institution to the student, it  
 13 shall be remitted to the auditor of state.

14 [20-12-21-10(c)] ~~(c)~~ **Sec. 17.** A student to whom a renewal award  
 15 has been issued may either re-enroll in the **approved** institution of  
 16 higher learning that ~~he the student~~ attended during the preceding year  
 17 or enroll in another **qualified approved** institution of higher learning.  
 18 In either event, the **approved** institution of higher learning accepting  
 19 the student shall notify the commission. It is entitled to payment and is  
 20 contractually obligated as provided for first year awards.

21 [20-12-21-11] Sec. ~~11~~ **18.** The commission shall administer the  
 22 higher education award account and related records of each student  
 23 who is attending an institution of higher learning under an award issued  
 24 under this chapter. At each appropriate time, it shall certify to the  
 25 auditor of state, in the manner prescribed by law, the current payment  
 26 to be made to the institution under the award. This shall be done in  
 27 accordance with an appropriate certificate of the institution presented  
 28 by the time the payment is due under the rules of the institution  
 29 applicable to students generally, after the tuition and necessary fees  
 30 have become fixed.

31 [20-12-21-11.5] Sec. ~~11.5~~ **19.** The auditor of state shall create a  
 32 separate and segregated higher education award fund distinct from the  
 33 freedom of choice grant fund. Money may be exchanged or transferred  
 34 between these funds as provided by section ~~12.5~~ **21** of this chapter. All  
 35 money disbursed from the higher education award fund shall be in  
 36 accordance with the provisions of this chapter. Money remaining in the  
 37 higher education award fund at the end of any fiscal year does not  
 38 revert to the state general fund but remains available to be used for  
 39 making higher education awards under this chapter.

40 [20-12-21-12] Sec. ~~12~~ **20.** If at the end of a fiscal year part of the  
 41 money appropriated for that year for the purposes of this chapter  
 42 remains unspent, it may be spent for those purposes during the next  
 43 ~~succeeding~~ fiscal year.

44 [20-12-21-12.5] Sec. ~~12.5~~ **21.** After the commitments for the higher  
 45 education award fund have been fully met for any academic year under  
 46 ~~section 7~~ of this chapter, the commission may order the auditor **of state**





to transfer to the freedom of choice grant fund any ~~monies~~ money remaining in the higher education award fund. The auditor of state shall make the transfer ordered by the commission with the approval of the budget director and the governor.

#### **Chapter 4. Freedom of Choice Grant**

[20-12-21-15 (part)] Sec. ~~15~~ **1. The freedom of choice grant program is established.** The commission shall administer the ~~hereby created~~ freedom of choice grant program.

[20-12-21-15 (part)] Sec. **2.** A person ~~shall be~~ is eligible for a freedom of choice grant under this program if:

(a) **(1)** the person is qualified for a higher education award under the terms of ~~sections 6~~ **IC 21-12-3-1, IC 21-12-3-2, and IC 21-12-3-3** or ~~6.1 of this chapter,~~ **IC 21-12-3-4 and IC 21-12-3-5**, even ~~though~~ if lack of funds prevents the actual award or grant;

(b) **(2)** the person has a financial need **that exceeds the award**, as determined ~~pursuant to~~ **in accordance with:**

(A) this chapter, **IC 21-11, IC 21-12-2, and IC 21-12-3;** and

(B) the rules ~~and regulations~~ of the commission; ~~in excess of such award;~~ and

(c) **(3)** the person will attend an approved institution of higher learning: ~~as defined in section 3(2)(A), 3(2)(B), or 3(2)(C) of this chapter; which~~

(A) **that:**

(i) **operates in Indiana, provides an organized two (2) year or longer program of collegiate grade directly creditable toward a baccalaureate degree, is either operated by the state or a nonprofit entity, and is accredited by a recognized regional accrediting agency or the commission on proprietary education;**

(ii) **is Ivy Tech Community College; or**

(iii) **is a hospital that operates a nursing diploma program that is accredited by the Indiana state board of nursing; and**

(B) **that** is operated privately and not administered or controlled by any state agency or entity.

[20-12-21-16] Sec. ~~16~~ **3.** Freedom of choice grant renewals ~~shall be~~ **are** governed by the same conditions as are set forth in ~~section 7(b) of this chapter.~~ **IC 21-12-3-9.**

[20-12-21-17] Sec. ~~17~~ **4.** The amount of a freedom of choice grant ~~to be made pursuant to this program shall~~ **may** not exceed the difference between:

(1) the amount of the total financial need of the student, as determined ~~pursuant to~~ **under** the commission's rules; ~~and regulations;~~ and

(2) the:



(A) higher education award made under ~~section 6~~  
~~IC 21-12-3-1, IC 21-12-3-2, and IC 21-12-3-3 or 6.1 of this~~  
~~chapter, IC 21-12-3-4 and IC 21-12-3-5; or the~~

(B) sum necessary to pay tuition and regularly assessed fees  
 educational costs at the institution;

whichever is smaller.

[20-12-21-18 (part)] ~~Sec. 18. 5.~~ The auditor of the state shall create  
 a separate and segregated freedom of choice grant fund distinct from  
 the higher education award fund.

[20-12-21-18 (part)] ~~Sec. 6.~~ Except as provided in ~~section 12.5 of~~  
~~this chapter, monies IC 21-12-3-21, money~~ shall not be exchanged or  
 transferred among these funds. ~~and~~

[20-12-21-18 (part)] ~~Sec. 7.~~ All money disbursed from the freedom  
 of choice grant fund shall be in accordance with the provisions of this  
 chapter.

[20-12-21-18 (part)] ~~Sec. 8. Monies~~ Money remaining in the  
 freedom of choice grant fund at the end of any fiscal year ~~do~~ does not  
 revert to the state general fund, but ~~remain~~ remains available to be  
 used for making freedom of choice grants under this chapter.

#### **Chapter 5. Hoosier Scholar Award Program**

[20-12-21-20 (part)] ~~Sec. 20. 1.~~ There is established the "hoosier  
 scholar" award program, to be administered by the commission.

[20-12-21-20 (part)] ~~Sec. 2.~~ The commission shall make ~~an~~ a  
**hoosier scholar** award each year to the top-ranking students, as  
 certified by the school corporation, of each high school graduating  
 class in ~~the state~~ **Indiana** who will be attending an eligible institution.  
 The number of awards given shall be determined by the size of the  
 graduating class as follows:

1-50 graduating students . . . . . one (1) award;

51-300 graduating students . . . . . two (2) awards; and

over 300 graduating students . . . . . three (3) awards.

[20-12-21-20 (part)] ~~Sec. 3.~~ **This A hoosier scholar** award may be  
 renewed under terms established by the commission.

[20-12-21-20 (part)] ~~Sec. 4.~~ The amount of the **hoosier scholar**  
 award shall be determined by the commission.

[20-12-21-20 (part)] ~~Sec. 5.~~ The amount of an award for which a  
 student is eligible under ~~section 6; 6.1; or 15 of this chapter~~ a **Frank**  
**O'Bannon grant** may not be reduced because of the receipt by the  
 student of a hoosier scholar award under this section. ~~nor may an A~~  
**hoosier scholar** award ~~under this section may not~~ be reduced because  
 of the receipt of ~~an award under section 6; 6.1; or 15 of this chapter.~~ a  
**Frank O'Bannon grant.**

[20-12-21-20.5 (part)] ~~Sec. 20.5. 6.~~ The auditor of state shall create  
 a separate and segregated hoosier scholar award fund distinct from the  
 higher education award fund and the freedom of choice grant fund.

[20-12-21-20.5 (part)] ~~Sec. 7. Monies~~ Money may not be exchanged



or transferred between the hoosier scholar award fund and the other funds.

[20-12-21-20.5 (part)] **Sec. 8.** All ~~monies~~ **money** disbursed from the hoosier scholar award fund shall be in accordance with the provisions of this chapter **and IC 21-11.**

[20-12-21-20.5 (part)] **Sec. 9.** ~~Monies~~ **Money** remaining in the hoosier scholar award fund at the end of any fiscal year ~~do~~ **does** not revert to the state general fund, but ~~remain~~ **remains** available to be used for making hoosier scholar awards under this chapter.

#### **Chapter 6. Twenty-First Century Scholars Program; Tuition Grants**

[20-12-70-8] ~~Sec. 8-1.~~ **1.** The twenty-first century scholars program is established to do the following:

- (1) Reduce the number of students who withdraw from high school before graduation.
- (2) Increase the number of students who are prepared to enter the workforce upon graduation.
- (3) Increase the number of students entering **approved** institutions of higher learning.
- (4) Encourage eligible students to attend **approved** institutions of higher learning by reducing the financial burden on the eligible students and their families.
- (5) Decrease drug and alcohol abuse by encouraging higher educational pursuits.
- (6) Increase individual economic vitality.
- (7) Improve the overall quality of life for many Indiana residents.

[20-12-70-9] ~~Sec. 9-2.~~ **2.** (a) The twenty-first century scholars fund is established to provide the financial resources necessary to award the ~~tuition~~ scholarships authorized under the program.

(b) The commission shall administer the fund.

(c) The expenses of administering the fund shall be paid from money in the fund.

(d) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested.

(e) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

[20-12-70-10(a) (part)] ~~Sec. 10-3.~~ **3.** (a) Money in the fund ~~shall~~ **must** be used to provide annual tuition scholarships to **qualified** scholarship applicants who ~~qualify under section 11(a) of this chapter.~~ **enroll as full-time students at an approved institution of higher learning.**

[20-12-70-10(c)] ~~(c)~~ **Sec. 4.** To **qualify** as an **approved** institution of higher learning ~~attended by~~ **under this chapter**, an ~~applicant described in subsection (a)~~ **educational entity** must satisfy the following requirements:

- (1) **Be an institution of higher learning.**



(1) (2) Be accredited by an agency that is recognized by the Secretary of the United States Department of Education.

(2) (3) Operate an organized program of postsecondary education leading to an associate or a baccalaureate degree on a campus located in Indiana.

(3) (4) Be approved by the commission:

(A) under rules adopted under IC 4-22-2; and

(B) in consultation with the commission on proprietary education, if appropriate.

[20-12-70-2] Sec. 2: 5. ~~As used in this chapter, "eligible student"~~  
~~means~~ **To qualify to participate in the program, a student who must**  
~~meets~~ **meet** the following requirements:

(1) ~~Is~~ **Be** a resident of Indiana.

(2) ~~Is~~ **Be:**

(A) enrolled in grade 8 at a public or an accredited nonpublic school; **or**

(B) **otherwise qualified under the rules of the commission that are adopted under IC 21-11-9-4 to include students who are in grades other than grade 8 as eligible students.**

(3) ~~Is~~ **Be** eligible for free or reduced priced lunches under the national school lunch program.

(4) ~~Agrees~~ **Agree**, in writing, together with the student's custodial parents or guardian, that the student will:

(A) graduate from a secondary school located in Indiana that meets the admission criteria of **an** institution of higher learning;

(B) not illegally use controlled substances (as defined in IC 35-48-1-9);

(C) not commit a crime or **an** infraction described in IC 9-30-5;

(D) not commit any other crime or delinquent act (as described in IC 31-37-1-2 or IC 31-37-2-2 through IC 31-37-2-5 (or IC 31-6-4-1(a)(1) through IC 31-6-4-1(a)(5) before their repeal));

(E) **timely apply**, when the eligible student is a senior in high school: ~~timely apply~~:

(i) to an **approved** institution of higher learning for admission; and

(ii) for any federal and state student financial assistance available to the eligible student to attend **an** institution of higher learning; and

(F) achieve a cumulative grade point average upon graduation of at least 2.0 on a 4.0 grading scale (or its equivalent if another grading scale is used) for courses taken during grades 9, 10, 11, and 12.

[20-12-70-6; 20-12-70-11(a)] Sec. 6. ~~As used in this chapter,~~



"scholarship applicant" means A student who may apply to the commission for a scholarship. To qualify for a scholarship, the student must meet the following requirements:

- (1) ~~Was~~ **Be** an eligible student ~~who qualified to participate in the program~~ under section ~~2~~ **5** of this chapter.
- (2) ~~Is~~ **Be** a resident of Indiana.
- (3) ~~Has graduated~~ **Be a graduate** from a secondary school located in Indiana that meets the admission criteria of ~~an~~ institution of higher learning.
- (4) ~~Has applied~~ **Have applied** to attend and ~~has been~~ **be** accepted to attend ~~an~~ institution of higher learning as a full-time student.
- (5) ~~Certifies~~ **Certify** in writing that the student has:
  - (A) not illegally used controlled substances (as defined in IC 35-48-1-9);
  - (B) not illegally consumed alcoholic beverages;
  - (C) not committed any other crime or a delinquent act (as described in IC 31-37-1-2 or IC 31-37-2-2 through IC 31-37-2-5 (or IC 31-6-4-1(a)(1) through IC 31-6-4-1(a)(5) before their repeal)); and
  - (D) timely filed an application for other types of financial assistance available to the student from the state or federal government.

~~Sec. 11: (a) To initially qualify for a tuition scholarship under this chapter, a scholarship applicant must do the following:~~

- ~~(1) Enroll as a full-time student in an institution of higher learning that:~~
  - ~~(A) is described in section 10(a); and~~
  - ~~(B) satisfies the requirements of section 10(c);~~
- ~~of this chapter.~~
- ~~(2) (6) Submit to the commission all of the information and evidence required by the commission to determine eligibility as a scholarship applicant.~~
- ~~(3) (7) Meet any other minimum criteria established by the commission.~~

~~[20-12-70-11(b)] (b) Sec. 7. A scholarship may be renewed. To qualify for a tuition scholarship renewal, under this chapter, a scholarship recipient must do the following:~~

- ~~(1) Submit to the commission a renewal application that contains all the information and evidence required by the commission to determine eligibility for the scholarship renewal.~~
- ~~(2) Continue to comply with the requirements set forth in subsection (a):~~
- ~~(3) (2) Continue to be enrolled as a full-time student in good standing at the approved institution of higher learning.~~
- ~~(3) Continue to meet any other minimum criteria established by the commission.~~



[20-12-70-10(b) (part)] ~~(b)~~ **Sec. 8.** ~~Each tuition~~ A scholarship awarded under this chapter is renewable **may be renewed** under ~~section 11(b)~~ of this chapter for a total scholarship award that does not exceed the equivalent of eight (8) semesters.

[20-12-70-12] ~~Sec. 12.~~ **9.** If an eligible student, a scholarship applicant, or a scholarship recipient violates an agreement entered into under this chapter, the eligible student, scholarship applicant, or scholarship recipient is disqualified from further consideration as a scholarship recipient under this chapter.

[20-12-70-10(a) (part)] ~~Sec. 10. in an~~ **Sec. 10.** The amount ~~that of a scholarship~~ is equal to the lowest of the following amounts:

(1) If the scholarship applicant attends a **qualified institution of higher learning that is a state educational institution (as defined in IC 20-12-0.5-1)** that satisfies the requirements of subsection (c) and:

(A) receives no other financial assistance specifically designated for ~~tuition and other regularly assessed fees;~~ **educational costs**, a full tuition scholarship to the state educational institution; or

(B) receives other financial assistance specifically designated for ~~tuition and other regularly assessed fees;~~ **educational costs**, the balance required to attend the state educational institution not to exceed the amount described in clause (A).

(2) If the scholarship applicant attends a **qualified institution of higher learning that is a private institution of higher education (as defined in IC 20-12-63-3)** that satisfies the requirements of subsection (c) and:

(A) receives no other financial assistance specifically designated for ~~tuition and other regularly assessed fees;~~ **educational costs**, an average of the full tuition scholarship amounts of all state educational institutions not including Ivy Tech Community College; ~~of Indiana;~~ or

(B) receives other financial assistance specifically designated for ~~tuition and other regularly assessed fees;~~ **educational costs**, the balance required to attend the college or university not to exceed the amount described in clause (A).

(3) If the scholarship applicant attends a **qualified institution of higher learning that is a postsecondary proprietary educational institution (as defined in IC 20-12-76-9)** that satisfies the requirements of subsection (c) and:

(A) receives no other financial assistance specifically designated for ~~tuition and other regularly assessed fees;~~ **educational costs**, the lesser of:

(i) the full tuition scholarship amounts of Ivy Tech Community College; ~~of Indiana;~~ or

(ii) the actual tuition and regularly assessed fees of the



1 institution; or  
 2 (B) receives other financial assistance specifically designated  
 3 for ~~tuition and other regularly assessed fees; educational~~  
 4 ~~costs~~, the balance required to attend the institution not to  
 5 exceed the amount described in clause (A).

6 [20-12-70-13] Sec. ~~13~~ **11.** (a) The Indiana college placement and  
 7 assessment center shall maintain the following:

- 8 (1) The agreements under section ~~2~~ **5** of this chapter.
- 9 (2) The certifications under section 6 of this chapter.
- 10 (3) A comprehensive list of all eligible students. ~~under this~~  
 11 ~~chapter.~~

12 (b) The commission shall have access to the information maintained  
 13 under this section.

14 (c) The commission, the Indiana college placement and assessment  
 15 center, the commission for higher education, the department of  
 16 education, and each approved secondary school shall work together in  
 17 implementing ~~this the~~ program.

18 [20-12-70-14] Sec. ~~14~~ **12.** Each **approved** institution of higher  
 19 learning that participates in the program shall develop ~~by September 1,~~  
 20 ~~1995,~~ specific mentoring programs for scholarship recipients ~~under this~~  
 21 ~~chapter~~ to assist the scholarship recipients through particularized  
 22 academic and social counseling.

23 [20-12-70-16] Sec. ~~16~~ **13.** The commission shall do the following:

- 24 (1) Prepare a statistical report on a fiscal year basis that describes  
 25 awards to students attending institutions under this chapter.
- 26 (2) Deliver the report described in subdivision (1) to the  
 27 legislative council before August 15 of the year following the  
 28 fiscal year covered in the report. The report must be in an  
 29 electronic format under IC 5-14-6.

### 30 **Chapter 7. Twenty-First Century Scholars Program Support** 31 **Fund; Grants for Textbooks, Equipment, and Other Material**

32 [20-12-70.1-1] Sec. 1. ~~As used in this chapter, "Commission" refers~~  
 33 ~~to the state student assistance commission established under~~  
 34 ~~IC 20-12-21-4.~~

35 [20-12-70.1-5 (part)] Sec. ~~5~~ **1.** (a) The twenty-first century scholars  
 36 program support fund is established to provide reimbursements to  
 37 scholarship recipients to offset ~~the educational support~~ costs incurred  
 38 by scholarship recipients. ~~in purchasing:~~

- 39 (1) ~~required textbooks; supplies; or equipment;~~
- 40 (2) ~~any other materials required by the institution of higher~~  
 41 ~~learning (as defined in IC 20-12-70-4) in order for a scholarship~~  
 42 ~~recipient to participate in a particular class; seminar; laboratory;~~  
 43 ~~or other type of instruction; or~~
- 44 (3) ~~other items or services approved by the commission under~~  
 45 ~~rules adopted by the commission;~~  
 46 ~~that are not included in the cost of tuition or other regularly assessed~~



1 ~~fees.~~

2 (b) The commission shall administer the ~~support~~ fund.

3 (c) The treasurer of state shall invest the money in the ~~support~~ fund  
4 not currently needed to meet the obligations of the ~~support~~ fund in the  
5 same manner as other public funds may be invested.

6 (d) Money in the ~~support~~ fund at the end of a state fiscal year does  
7 not revert to the state general fund.

8 [20-12-70.1-6] Sec. ~~6~~. **2.** The ~~support~~ fund consists of money  
9 donated to the ~~support~~ fund by contributors. Financial assistance  
10 awarded under this chapter is subject to the availability of money in the  
11 ~~support~~ fund.

12 [20-12-70.1-7] Sec. ~~7~~. **3.** (a) ~~In order to receive money under the~~  
13 ~~support fund~~; A scholarship recipient ~~shall~~ **may** apply to the  
14 commission, on forms provided by the commission, for ~~funds~~.  
15 **financial assistance from the fund.**

16 (b) The scholarship recipient shall certify to the commission that the  
17 scholarship recipient has incurred **educational support** costs ~~as~~  
18 ~~described in section 5(a) of this chapter~~ that were not included in the  
19 scholarship award received by the scholarship recipient under  
20 ~~IC 20-12-70. IC 21-12-6.~~

21 (c) Upon verification by the commission of the information  
22 provided by the scholarship recipient and subject to the availability of  
23 money in the ~~support~~ fund, the commission shall reimburse to the  
24 scholarship recipient the amount of money requested by the scholarship  
25 recipient.

26 (d) The commission shall provide the reimbursements under this  
27 section in the order in which the applications are received.

28 [20-12-70.1-8] Sec. ~~8~~. **4.** ~~Contributors~~ **A contributor** to the ~~support~~  
29 fund ~~are~~ is entitled to an income tax credit ~~as authorized in under~~  
30 IC 6-3-3-5.1.

### 31 **Chapter 8. Part-Time Student Grant Program and Fund**

32 [20-12-22.1-5] Sec. ~~5~~. ~~As used in this chapter, and unless otherwise~~  
33 ~~specifically provided, "commission" refers to the state student~~  
34 ~~assistance commission established under IC 20-12-21-4.~~

35 [20-12-22.1-8] Sec. ~~8~~. **1.** (a) The part-time student grant fund is  
36 established to make awards authorized under this chapter to eligible  
37 applicants.

38 (b) The fund consists of the following:

39 (1) Appropriations made by the general assembly.

40 (2) Gifts, grants, devises, or bequests made to the state ~~in order~~ to  
41 achieve the purposes of the fund.

42 (c) The fund shall be administered by the commission.

43 (d) The fund shall be separate and distinct from other funds  
44 administered by the commission and money in the fund may not be  
45 exchanged with or transferred to other funds.

46 (e) The treasurer of state shall invest the money in the fund not





currently needed to meet the obligations of the fund in the same manner as other public funds are invested.

(f) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

[20-12-22.1-9] Sec. ~~9~~ **2**. The commission shall do the following:

(1) Adopt rules under IC 4-22-2 governing the operation of the fund, including rules specifying the procedures that applicants must follow to appeal determinations made under subdivisions (3) and (4).

(2) Prescribe the form and manner in which applications for part-time student grants may be submitted.

(3) Determine the eligibility of applicants.

(4) Determine the amount of a part-time student grant awarded to a recipient.

[20-12-22.1-10] Sec. ~~10~~ **3**. An applicant is eligible to receive a part-time student grant if the following conditions are met:

(1) The applicant is domiciled in Indiana, as defined by the commission.

(2) The applicant:

(A) has received a diploma of graduation from an approved secondary school;

(B) has been granted a:

(i) high school equivalency certificate before July 1, 1995; or

(ii) state of Indiana general educational development (GED) diploma under IC 20-10.1-12.1 **(before its repeal) or IC 20-20-6**; or

(C) is a student in good standing who is completing a final year of study at an approved secondary school and will be eligible upon graduation to attend an approved institution of higher learning.

(3) The applicant declares, in writing, a specific educational objective or course of study and enrolls in:

(A) a course that applies toward the requirements for completion of that objective or course of study; or

(B) a course designed to help the applicant develop the basic skills the applicant needs to successfully achieve that objective or continue in that course of study.

(4) The applicant enrolls in at least two (2) but fewer than twelve (12) credit hours in any academic term.

(5) The commission or an approved institution of higher learning acting as the commission's agent determines that the financial resources available to the applicant are such that in the absence of a grant under this chapter the applicant would be deterred from beginning or completing the applicant's declared educational objective or course of study.



[20-12-22.1-10.5] Sec. ~~10-5~~. **4.** The commission may establish accumulated credit requirements as a condition of eligibility for an award made under this chapter.

[20-12-22.1-11] Sec. ~~11~~. **5. Subject to this chapter, a student may receive a renewal of a student's part-time student grant may be renewed** if the student does the following:

(1) Makes satisfactory progress toward a certificate, nursing diploma, associate degree, or baccalaureate degree.

(2) Demonstrates continuing financial need.

[20-12-22.1-12] Sec. ~~12~~. **6. (a)** The commission shall determine the maximum number of part-time student grants available to applicants. However, with respect to a particular student, the total of the academic terms for which:

(1) part-time student grants under this chapter; and

(2) **state higher education awards or freedom of choice Frank O'Bannon** grants; ~~under IC 20-12-21~~;

are made may not exceed the equivalent of eight (8) semesters of full-time study.

~~(b) For purposes of this section, the commission shall treat the academic term for which a grant is made under this chapter as the same percentage of an academic term as the percentage used to determine the applicant's grant under section 14(b) of this chapter. In addition, The commission shall treat each academic term for which a state higher education award or a freedom of choice Frank O'Bannon grant is made under IC 20-12-21 as one (1) academic term.~~

[20-12-22.1-13] Sec. ~~13~~. **7.** A student's eligibility expires ten (10) years after first being offered a **Frank O'Bannon grant, hoosier scholar award, or a grant under this chapter.** ~~or under IC 20-12-21.~~

[20-12-22.1-15] Sec. ~~15~~. **8.** The commission may permit an approved institution of higher learning to act as its agent in accepting applications from, determining eligibility for, and making awards to eligible applicants of the approved institution of higher learning. The **approved** institution of higher learning shall provide to the commission on a timely basis any information, reports, and accounting the commission requires.

SECTION 24. IC 21-13 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]:

## **ARTICLE 13. OCCUPATIONAL SCHOLARSHIPS AND GRANTS**

### **Chapter 1. General Provisions; Definitions**

[New] Sec. 1. Unless otherwise provided, the definitions in this chapter apply throughout this article.

[20-12-74-1] Sec. ~~1~~. **2.** As used in this chapter, "Commission" refers to the state student assistance commission. ~~established under IC 20-12-21-4.~~



[20-12-21.7-2] Sec. ~~2~~. **3.** ~~As used in this chapter,~~ "Eligible institution of higher learning" means a public or private college or university that offers a student the opportunity to acquire at least a baccalaureate degree in **any of the following:**

- (1) The field of education.
- (2) **Occupational therapy.**
- (3) **Physical therapy.**

[20-12-74-2] Sec. ~~2~~. **4.** ~~As used in this chapter,~~ "Eligible student", **for purposes of section 8 of this chapter,** means a person who:

- (1) is a member of the Indiana national guard:
  - (A) in active drilling status; and
  - (B) who has not been absent without leave within the twelve (12) months immediately preceding the date the person applies for a tuition scholarship under this chapter;
- (2) does not possess a bachelor's degree from an institution of higher learning; ~~(as defined in IC 20-12-70-4);~~
- (3) possesses the requisite academic qualifications;
- (4) meets the requirements of the state educational institution in which the person is enrolled or will enroll; and
- (5) meets all other eligibility requirements as determined by the commission.

[20-12-21.7-3; 20-12-21.9-3; New] Sec. ~~3~~. **5.** ~~As used in this chapter,~~ "Fund":

- (1) **for purposes of IC 21-13-2,** refers to the minority teacher or special education services scholarship fund established ~~under section 5 of this chapter.~~ **by IC 21-13-2-1;**
- (2) **for purposes of IC 21-13-3,** refers to the nursing scholarship fund **established by IC 21-13-3-1; and**
- (3) **for purposes of IC 21-13-4,** refers to the national guard tuition supplement program fund established by IC 21-13-4-1.

[20-12-21.7-4] Sec. ~~4~~. **6.** ~~As used in this chapter,~~ "Minority" means an individual identified as black or Hispanic.

[20-12-74-5] Sec. ~~5~~. **7.** ~~As used in this chapter,~~ "Tuition Scholarship", **for purposes of IC 21-13-4,** means financial assistance provided to a student to offset the **educational costs of tuition and other regularly assessed fees** incurred by the student in attending a state educational institution as determined by the commission.

[20-12-74-3] Sec. ~~3~~. **8.** ~~As used in this chapter,~~ "Scholarship applicant", **for purposes of IC 21-13-4,** means a person who:

- (1) is an eligible student;
- (2) is a resident of Indiana;
- (3) has been accepted to attend a state educational institution as a full-time or part-time student;
- (4) has been certified to have met all national guard requirements; and
- (5) according to commission requirements, has timely filed an



application for any federal and state financial assistance available to the person to attend a state educational institution.

**Chapter 2. Minority Teacher Scholarships; Special Education, Occupational Therapy, and Physical Therapy Scholarships**

[20-12-21.7-1] Sec. ~~1~~. ~~As used in this chapter, "commission" refers to the state student assistance commission established under IC 20-12-21-4.~~

[20-12-21.7-5] Sec. ~~5~~. **1.** The minority teacher or special education services scholarship fund is established:

(~~1~~) as the fund pertains to minority teachers:

(~~A~~) (1) to encourage and promote qualified minority individuals to pursue a career in teaching in accredited schools in Indiana;

(~~B~~) (2) to enhance the number of individuals who may serve as role models for the minority students in Indiana; and

(~~C~~) (3) ~~in recognition of the fact that there is a~~ **to rectify the** shortage of minority teachers teaching in accredited schools ~~of~~ **in** Indiana; and

(~~2~~) as the fund pertains to special education services:

(~~A~~) (4) to encourage and promote qualified individuals to pursue a career in:

(i) (A) teaching special education in accredited schools in Indiana; or

(ii) (B) practicing occupational or physical therapy in accredited schools in Indiana, in vocational rehabilitation centers under IC 12-12-1-4.1(a)(1), or in community mental retardation or other developmental disabilities centers under IC 12-29 (except IC 12-29-3-6) as part of the special education program; and

(~~B~~) (5) ~~in recognition of the fact that there is a~~ **to rectify the** shortage of individuals who:

(A) teach special education; ~~and who or~~

(B) provide certain other special education services in accredited schools in Indiana.

[20-12-21.7-6] Sec. ~~6~~. **2.** (a) The commission shall administer the fund.

(b) The expenses of administering the fund shall be paid from money in the fund.

(c) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested.

[20-12-21.7-7(a) (part)] Sec. ~~7~~. (~~a~~) ~~3.~~ ~~Except as provided in subsection (c), the~~ Money in the fund shall be used to provide annual scholarships to ~~minority students~~ **individuals** who qualify ~~for a scholarship~~ under:

(1) section ~~9(a)~~ **4** of this chapter; or



1           ~~(2) individuals who qualify under section 9-1(a) 5~~ of this chapter.  
 2           [20-12-21.7-9(a)] Sec. ~~9-1~~ **4. (a) To initially qualify An individual**  
 3 **qualifies for a an initial** scholarship from the fund, **a if the minority**  
 4 **student must: individual:**

5           **(1) is a minority student;**

6           ~~(1) be~~ **(2) is** admitted to an eligible institution of higher learning  
 7 as a full-time student or already ~~attend~~ **attends** an eligible  
 8 institution of higher learning as a full-time student;

9           ~~(2) intend~~ **(3) either:**

10           **(A) intends** to pursue; or

11           **(B) in the case of a student who is already attending an eligible**  
 12 **institution of higher learning, pursue pursues;**

13 a course of study that would enable the student, upon graduation,  
 14 to teach in an accredited school in Indiana;

15 ~~(3) agree;~~ **(4) agrees,** in writing, to teach in an accredited school  
 16 in Indiana **for** at least three (3) years of the first five (5) years  
 17 following that student's certification as a teacher; and

18 ~~(4) meet~~ **(5) meets** any other minimum criteria established by the  
 19 commission.

20           [20-12-21.7-9.1(a)] Sec. ~~9-1~~ **5. (a) To initially qualify An**  
 21 **individual qualifies for a an initial** scholarship from the fund **as the**  
 22 **fund pertains to individuals described in section 8(a)(2) of this chapter,**  
 23 **an if the individual: must:**

24           ~~(1) be is~~ admitted to an eligible institution of higher learning as a  
 25 full-time student or ~~be is~~ attending an eligible institution of higher  
 26 learning as a full-time student;

27           ~~(2) intend~~ **either intends** to pursue or, in the case of a student  
 28 who is attending an eligible institution of higher learning, ~~pursue~~  
 29 **pursues** a course of study that would enable the student, upon  
 30 graduation **to be:**

31           **(A) to be** licensed to teach special education in an accredited  
 32 school under rules adopted by the Indiana state board of  
 33 education;

34           **(B) to be** certified to practice occupational therapy:

35           (i) in an accredited school;

36           (ii) in a vocational rehabilitation center under  
 37 IC 12-12-1-4.1(a)(1); or

38           (iii) in a community mental retardation or other  
 39 developmental disabilities center under IC 12-29 except  
 40 IC 12-29-3-6; or

41           **(C) to be** licensed to practice physical therapy:

42           (i) in an accredited school;

43           (ii) in a vocational rehabilitation center under  
 44 IC 12-12-1-4.1(a)(1); or

45           (iii) in a community mental retardation or other  
 46 developmental disabilities center under IC 12-29 except



- 1 IC 12-29-3-6;
- 2 (3) ~~agree~~; **agrees** in writing to:
- 3 (A) teach in an accredited school; or
- 4 (B) practice occupational therapy or physical therapy,
- 5 whichever applies:
- 6 (i) in an accredited school in Indiana;
- 7 (ii) in a vocational rehabilitation center under
- 8 IC 12-12-1-4.1(a)(1); or
- 9 (iii) in a community mental retardation or other
- 10 developmental disabilities center under IC 12-29 except
- 11 IC 12-29-3-6;
- 12 **for** at least three (3) of the first five (5) years following the
- 13 student's licensure as a teacher, certification as an occupational
- 14 therapist, or licensure as a physical therapist; and
- 15 (4) ~~meet~~ **meets** any other minimum criteria established by the
- 16 commission.
- 17 [20-12-21.7-7(b); 20-12-21.7.8(c) (part)] ~~(b)~~ **Sec. 6.** Subject to
- 18 section ~~8(e)~~ **12** of this chapter, ~~each~~ a scholarship ~~awarded under~~
- 19 ~~subsection (a) or subsection (e) is renewable~~ **may be renewed** under
- 20 ~~section 9(b) of this chapter or under section 9.1(b) of this chapter;~~
- 21 ~~whichever applies;~~ for a total scholarship award that does not exceed
- 22 eight (8) semesters (or its equivalent). However, ~~the~~ **an** eligible
- 23 institution **of higher learning** may not grant a scholarship renewal to
- 24 a student for an academic year that ends later than six (6) years after
- 25 the date the student received the initial scholarship under this chapter.
- 26 [20-12-21.7-9(b); 20-12-21.7-9.1(b)] ~~(b)~~ **Sec. 7. (a)** To qualify for
- 27 a scholarship renewal from the fund, a minority student **that qualified**
- 28 **for the initial scholarship under section 4 of this chapter** must:
- 29 (1) comply with the criteria ~~set forth in subsection (a);~~ **section 4**
- 30 **of this chapter;** and
- 31 (2) maintain at least the cumulative grade point average:
- 32 (A) that is required by an eligible institution **of higher**
- 33 **learning** for admission to the eligible institution's school of
- 34 education; or
- 35 (B) of 2.0 on a 4.0 grading scale or its equivalent as
- 36 established by the eligible institution **of higher learning** if the
- 37 eligible ~~institution's~~ **institution of higher learning's** school of
- 38 education does not require a certain minimum cumulative
- 39 grade point average.
- 40 (b) To qualify for a scholarship renewal from the fund, ~~under this~~
- 41 ~~section;~~ **the an** individual **that qualified for the initial scholarship**
- 42 **under section 5 of this chapter** must:
- 43 (1) comply with the criteria set forth in ~~subsection (a);~~ **section 5**
- 44 **of this chapter;** and
- 45 (2) maintain at least the cumulative grade point average:
- 46 (A) that is required by an eligible institution **of higher**



**learning** for admission to the eligible institution's school of education; or  
 (B) of 2.0 on a 4.0 grading scale or its equivalent as established by the eligible institution **of higher learning** if the eligible institution's **institution of higher learning's** school of education does not require a certain minimum cumulative grade point average.

[20-12-21.7-7(a) (part)] **Sec. 8. Except as provided in this chapter, a scholarship in an amount that** is equal to the lesser of the following amounts:

- (1) The balance of the student's total cost in attending the eligible institution **of higher learning** for the academic year.
- (2) One thousand dollars (\$1,000).

[20-12-21.7-7(c)] ~~(c)~~ **Sec. 9. Notwithstanding subsection (a); (a) This section applies** if a minority student:

- (1) **initially qualifies for a scholarship** under section ~~9(a)~~ 4 of this chapter; and
- (2) demonstrates to the commission financial need in an amount greater than described in ~~subsection (a);~~ **section 8 of this chapter.**

(b) **The** annual scholarship that the minority student may receive is equal to the lesser of the following amounts:

- (1) The balance of the student's total cost in attending the eligible institution **of higher learning** for the academic year.
- (2) Four thousand dollars (\$4,000).

[20-12-21.7-8(a)] ~~Sec. 8: (a)~~ **10.** The commission for higher education under ~~IC 20-12-0.5~~ shall provide the commission with the most recent information concerning:

- (1) the number of minority students enrolled at each eligible institution; and
- (2) the number of individuals who are:
  - (A) enrolled at each eligible institution **of higher learning;** and
  - (B) pursuing a course of study that would enable the student, upon graduation, to be:
    - (i) licensed to teach special education in an accredited school; or
    - (ii) certified to practice occupational therapy or licensed to practice physical therapy in an accredited school, in a vocational rehabilitation center under IC 12-12-1-4.1(a)(1), or in a community mental retardation or other developmental disabilities center under IC 12-29 as part of the special education program.

[20-12-21.7-8(b)] ~~(b)~~ **Sec. 11.** The commission shall allocate the available money from the fund to each eligible institution **of higher learning** in proportion to the number of minority students enrolled at



each eligible institution ~~as described in subsection (a) of higher learning~~ based upon the information received by the commission. ~~under subsection (a): from the commission for higher education.~~

[20-12-21.7-8(c)] ~~(c)~~ **Sec. 12.** Each eligible institution **of higher learning** shall determine the scholarship recipients under this chapter:

(1) based upon:

(A) the criteria set forth in section ~~9 4~~ of this chapter or section ~~9-1 5~~ of this chapter; ~~whichever applies~~; and

(B) the rules adopted by the commission; ~~under section 12 of this chapter~~; and

(2) with a priority on granting scholarships in the following order:

(A) Minority students seeking a renewal scholarship.

(B) Newly enrolling minority students.

(C) Special education services students seeking a renewal scholarship.

(D) Newly enrolling special education services students.

[20-12-21.7-8(d)] ~~(d)~~ **Sec. 13.** (d) Any funds that:

(1) are allocated to an eligible institution **of higher learning**; and

(2) are not ~~utilized~~ **used** for scholarships under this chapter;

shall be returned to the commission for reallocation by the commission to any other eligible institution **of higher learning** in need of additional funds.

[20-12-21.7-10] ~~Sec. 10:~~ **14. (a)** The amount of ~~the a~~ scholarship **awarded** under this chapter may not be reduced because the student receives other scholarships or forms of financial aid.

~~(b) In addition, unless~~ **Except as** otherwise permitted ~~under by~~ law, the amount of any other state financial aid received by a student may not be reduced because the student receives a scholarship under this chapter.

[20-12-21.7-11] ~~Sec. 11:~~ **15. (a)** The commission shall maintain complete and accurate records in implementing the program, including the following:

(1) **The number of** scholarships awarded under this chapter.

(2) The number of individuals who fulfilled the agreement described under section ~~9-1(a)(3)~~ **5** of this chapter.

(3) The number of individuals who did not fulfill the agreement described under section ~~9-1(a)(3)~~ **5** of this chapter.

(b) Each eligible institution **of higher learning** shall provide the commission with information concerning the following:

(1) The awarding of scholarships under this chapter.

(2) The academic progress made by each recipient of a scholarship under this chapter.

(3) Other pertinent information requested by the commission.

### **Chapter 3. Nursing Scholarship Fund**

[20-12-21.9-1] ~~Sec. 1:~~ **As used in this chapter, "approved institution of higher learning" has the meaning set forth in IC 20-12-21-3.**





1 [20-12-21.9-2] ~~Sec. 2:~~ As used in this chapter, "commission" refers  
 2 to the state student assistance commission established under  
 3 ~~IC 20-12-21-4.~~

4 [20-12-21.9-4] ~~Sec. 4:~~ **1.** (a) The nursing scholarship fund is  
 5 established:

6 (1) to encourage and promote qualified individuals to pursue a  
 7 career in nursing in Indiana; and

8 (2) ~~in recognition of the fact that there is a~~ **to rectify the** shortage  
 9 of nurses in Indiana.

10 (b) The fund consists of the following:

11 (1) Appropriations by the general assembly.

12 (2) Gifts to the fund.

13 [20-12-21.9-5] ~~Sec. 5:~~ **2.** (a) The commission shall administer the  
 14 fund.

15 (b) The expenses of administering the fund shall be paid from  
 16 money in the fund.

17 (c) The treasurer of state shall invest the money in the fund not  
 18 currently needed to meet the obligations of the fund in the same  
 19 manner as other public funds. Interest that accrues from those  
 20 investments ~~shall~~ **must** be deposited in the fund.

21 (d) Money in the fund at the end of a fiscal year does not revert to  
 22 the state general fund.

23 [20-12-21.9-6(a)] ~~Sec. 6:~~ **3.** ~~(a)~~ The money in the fund ~~shall~~ **must** be  
 24 used to provide annual scholarships to nursing students who qualify by  
 25 demonstrating a financial need and meeting the requirements ~~listed~~  
 26 ~~under section 8 of in~~ this chapter. ~~in an amount that~~ **An annual**  
 27 **scholarship awarded under this subsection** is equal to the lesser of  
 28 the following amounts:

29 (1) The balance of the student's total cost of tuition or fees in  
 30 attending the eligible institution for the academic year.

31 (2) Five thousand dollars (\$5,000).

32 [20-12-21.9-6(b)] ~~(b)~~ **Sec. 4.** A scholarship awarded under  
 33 ~~subsection (a) this chapter~~ may be used only for the payment of ~~tuition~~  
 34 ~~or fees~~ **educational costs** that are:

35 (1) approved by the approved institution of higher learning that  
 36 awards the scholarship; and

37 (2) not otherwise payable under any other scholarship or form of  
 38 financial assistance specifically designated for ~~tuition or fees:~~  
 39 **educational costs.**

40 [20-12-21.9-8(a)] ~~Sec. 8:~~ **5.** ~~(a)~~ To initially qualify for a scholarship  
 41 from the fund, a nursing student must:

42 (1) be admitted to an approved institution of higher learning as a  
 43 full-time or part-time nursing student;

44 (2) agree, in writing, to work as a nurse in any type of health care  
 45 setting in Indiana for at least two (2) years following graduation;

46 (3) meet any other minimum criteria established by the



commission; and

(4) demonstrate a financial need for the scholarship.

[20-12-21.9-8(b)] ~~(b)~~ **Sec. 6.** To qualify for a scholarship renewal from the fund, a nursing student must:

(1) comply with the criteria set forth in ~~subsection (a)~~; **section 5 of this chapter**;

(2) maintain at least the cumulative grade point average:

(A) that is required by an approved institution of higher learning for admission to the approved institution of higher learning; or

(B) equivalent to 2.0 on a 4.0 grading scale, as established by the approved institution of higher learning, if the institution's nursing program does not require a certain minimum cumulative grade point average; and

(3) demonstrate a continuing financial need for the scholarship.

[20-12-21.9-6(c)] ~~(c)~~ **Sec. 7.** Subject to section ~~7(c)~~ **11** of this chapter, ~~each a~~ scholarship awarded ~~under subsection (a)~~ **is renewable may be renewed** under section ~~8(b)~~ **6** of this chapter for a total number of terms that does not exceed: ~~the~~

(1) eight (8) full-time (or part-time equivalent) semesters; or

(2) twelve (12) full-time (or part-time equivalent) quarters.

[20-12-21.9-7(d)] ~~(d)~~ **Sec. 8.** The approved institution of higher learning may not grant a scholarship renewal to a student for an academic year that ends later than six (6) years after the date the student received the initial scholarship under this chapter.

[20-12-21.9-7(a)] ~~Sec. 7:~~ **9.** (a) The commission for higher education shall provide the commission with the most recent information concerning the number of nursing students enrolled at each ~~eligible~~ **approved institution of higher learning**.

[20-12-21.9-7(b)] ~~(b)~~ **Sec. 10.** The commission shall allocate the available money from the fund to each approved institution of higher learning that has a nursing program in proportion to the number of nursing students enrolled at each ~~eligible~~ **approved institution of higher learning** based upon the information received by the commission ~~under subsection (a): from the commission for higher education~~.

[20-12-21.9-7(c)] ~~(c)~~ **Sec. 11.** Each approved institution of higher learning shall determine the scholarship recipients under this chapter based upon the criteria set forth in ~~section 8~~ **of this chapter** and the rules adopted by the commission. ~~under section 10 of this chapter~~. In addition, the approved institution of higher learning shall consider the need of the applicant when awarding scholarships under this chapter.

[20-12-21.9-7(e)] ~~(e)~~ **Sec. 12.** Any funds that:

(1) are allocated to an approved institution of higher learning; and

(2) are not ~~utilized~~ **used** for scholarships under this chapter;

shall be returned to the commission for reallocation by the commission



to any other eligible institution in need of additional funds.

[20-12-21.9-9(a)] ~~Sec. 9:~~ **13.** ~~(a)~~ The commission shall maintain complete and accurate records in implementing the program, including the following:

(1) **The number of** scholarships awarded under this chapter.

(2) The number of individuals who fulfilled the agreement described under section ~~8(a)(2)~~ **5** of this chapter.

(3) The number of individuals who did not fulfill the agreement described under section ~~8(a)(2)~~ **5** of this chapter.

[20-12-21.9-9(b)] ~~(b)~~ **Sec. 14.** Each eligible institution shall provide the commission with information concerning the following:

(1) The awarding of scholarships under this chapter.

(2) The academic progress made by each recipient of a scholarship under this chapter.

(3) Other pertinent information requested by the commission.

#### **Chapter 4. National Guard Tuition Supplement Program**

[20-12-74-1] ~~Sec. 1:~~ **As used in this chapter, "commission" refers to the state student assistance commission established under IC 20-12-21-4.**

[20-12-74-1] ~~Sec. 4:~~ **As used in this chapter, "state educational institution" has the meaning set forth in IC 20-12-0.5-1.**

[20-12-74-6] ~~Sec. 6:~~ **1.** (a) The national guard tuition supplement program fund is established to provide the financial resources necessary to award the tuition scholarships authorized under the program.

(b) The commission shall administer the fund.

(c) The expenses of administering the fund shall be paid from money in the fund.

[20-12-74-7(a)] ~~Sec. 7:~~ **2.** (a) Money in the national guard tuition supplement program fund shall be used to provide annual ~~tuition~~ scholarships to scholarship applicants ~~who qualify under this chapter~~ in an amount that is equal to one (1) of the following amounts:

(1) If the scholarship applicant does not receive other financial assistance specifically designated for ~~tuition and mandatory fees;~~ **educational costs**, the amount equal to a full tuition scholarship to attend the state educational institution.

(2) If the scholarship applicant receives other financial assistance specifically designated for ~~tuition and mandatory fees;~~ **educational costs**, the amount:

(A) equal to the balance required to attend the state educational institution; and

(B) not to exceed the amount described in subdivision (1).

[20-12-74-7(b)] ~~(b)~~ **Sec. 3.** Each ~~tuition~~ scholarship awarded under this chapter:

(1) may be renewed under this chapter for a total scholarship award that does not exceed the equivalent of eight (8) semesters;



1 and

2 (2) ~~that is renewable under this chapter~~ is subject to other  
3 eligibility criteria as established by the commission.

4 SECTION 25. IC 21-14 IS ADDED TO THE INDIANA CODE AS  
5 A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1,  
6 2007]:

7 **ARTICLE 14. STATE EDUCATIONAL INSTITUTIONS:**  
8 **TUITION AND FEES; OTHER CHARGES; ESTABLISHMENT,**  
9 **EXEMPTIONS, AND REDUCTIONS**

10 **Chapter 1. General Provisions; Definitions**

11 [New] Sec. 1. This article applies to all state educational  
12 institutions.

13 [New] Sec. 2. The definitions in this chapter apply throughout  
14 this article.

15 [New] Sec. 3. "Commission" refers to the state student  
16 assistance commission.

17 [New] Sec. 4. "Eligible applicant":

18 (1) for purposes of IC 21-14-4, refers to a person who is  
19 eligible for an educational costs exemption for children of  
20 veterans under IC 21-14-4;

21 (2) for purposes of IC 21-14-6, refers to a person who is  
22 eligible for an educational costs exemption for the children or  
23 surviving spouse of a public safety officer under IC 21-14-6;  
24 and

25 (3) for purposes of IC 21-14-7, refers to a person who is  
26 eligible for an educational costs exemption for children and  
27 spouses of National Guard members under IC 21-14-7.

28 [New] Sec. 5. "Fund" for the purposes of IC 21-14-5, refers to  
29 the senior citizens tuition fund established under IC 21-14-5-1.

30 [20-12-19.5-1(c) (part)] Sec. 6. "Public safety officer" means any  
31 of the following:

32 (1) A regular, paid law enforcement officer.

33 (2) A regular, paid firefighter.

34 (3) A volunteer firefighter (as defined in IC 36-8-12-2).

35 (4) A county police reserve officer.

36 (5) A city police reserve officer.

37 (6) A paramedic (as defined in IC 16-18-2-266).

38 (7) An emergency medical technician (as defined in  
39 IC 16-18-2-112).

40 (8) An advanced emergency medical technician (as defined in  
41 IC 16-18-2-6) (repealed); or

42 (9) A hazardous duty employee of the department of correction  
43 who:

44 (A) works within a prison or juvenile facility; or

45 (B) performs parole or emergency response operations and  
46 functions.



[20-12-19.3-3] Sec. ~~3~~ **7**. ~~As used in this chapter,~~ "Senior citizen" means an Indiana resident who:

- (1) is at least sixty (60) years of age;
- (2) has graduated from high school or has received a:
  - (A) general equivalency degree; or
  - (B) state of Indiana general educational development (GED) diploma under IC 20-10.1-12.1 **(before its repeal) or IC 20-20-6;**
- (3) is retired; and
- (4) is not employed on a full-time basis.

## **Chapter 2. Tuition, Fees, and Charges**

[20-12-1-2(a)(5)] ~~(5) to prescribe~~ **Sec. 1. (a) This section applies to the board of trustees of the following state educational institutions:**

- (1) Ball State University.**
- (2) Indiana University.**
- (3) Indiana State University.**
- (4) Purdue University.**
- (5) University of Southern Indiana.**

**(b) The board of trustees of a state educational institution may:**

- (1) set the fees, tuition, and charges necessary or convenient to the furthering of further the purposes of the state educational institution; and**
- (2) to collect the prescribed fees, tuition, and charges set by the board of trustees for the state educational institution.**

[20-12-1-12(a)] Sec. ~~12~~ **(a) This section applies notwithstanding IC 20-12-23-2, IC 20-12-36-4, IC 20-12-56-5, IC 20-12-57.5-11, and IC 20-12-64-5.**

**(b) As used in this section, "academic year" has the meaning set forth in IC 20-12-76-1.**

**(c) As used in this section, "state educational institution" has the meaning set forth in IC 20-12-0.5-1.**

[20-12-57.5-11] ~~(g)~~ **Sec. 2. The board of trustees of Ball State University may fix laboratory, contingent, and other fees and charges.**

[20-12-23-2(c) (part)] **Sec. 3. The board of trustees of Indiana University may prescribe the price of tuition in such Indiana University, and to**

[20-12-61-13(a)(9)] ~~(9)~~ **Sec. 4. The board of trustees of Ivy Tech Community College may establish a schedule of fees or charges for students. and provide scholarships and remission of fees in proper cases.**

[20-12-64-5(6)] ~~(6)~~ **Sec. 5. The University of Southern Indiana may fix laboratory, contingent, and other fees and charges.**

[20-12-1-12(d) (part)] ~~(d)~~ **Sec. 6. A state educational institution shall set tuition and fee rates for a two (2) year period.**

[20-12-1-12(d) (part)] **Sec. 7. The rates shall must be set according**



to the procedure set forth in ~~subsection (e)~~ **section 8 of this chapter**; and:

- (1) on or before May 30 of the odd numbered year; or
- (2) thirty (30) days after the state budget bill is enacted into law; whichever is later.

[20-12-1-12(e)] ~~(e)~~ **Sec. 8.** A state educational institution shall hold a public hearing before adopting ~~any~~ a proposed tuition and fee rate ~~increases: increase~~. The state educational institution shall give public notice of the hearing at least ten (10) days before the hearing. The public notice ~~shall~~ **must** include the specific proposal for ~~the~~ tuition and fee rate ~~increases increase~~ and the expected uses of the revenue to be raised by the proposed ~~increases: increase~~. The hearing ~~shall~~ **must** be held:

- (1) on or before May 15 of each odd numbered year; or
- (2) fifteen (15) days after the state budget bill is enacted into law; whichever is later.

[20-12-1-12(f)] ~~(f)~~ **Sec. 9.** After a state educational institution's tuition and fee rates are set under ~~this section~~, **sections 7 and 8 of this chapter**, the state educational institutions may adjust the tuition and fee rates only if appropriations to the state educational institution in the state budget act are reduced or withheld.

[20-12-1-12(g)] ~~(g)~~ **Sec. 10.** If a state educational institution adjusts its tuition and fee rates under ~~subsection (f)~~, **section 9 of this chapter**, the total revenue generated by the tuition and fee rate adjustment must not exceed the amount by which appropriations to the state educational institution in the state budget act were reduced or withheld.

[20-12-1-7] ~~Sec. 7~~ **11.** Notwithstanding any other law, a state educational institution, ~~(as defined in IC 20-12-0.5-1)~~, in collecting amounts owed it, may, in the event of default and referral to an attorney or collection agency, add to the amount collected the following:

- (1) The amount of attorney's fees incurred in the collection of the debt.
- (2) The amount of collection agency fees incurred in the collection of the debt.
- (3) The amount of court costs incurred in the collection of the debt.

### **Chapter 3. Tuition and Fee Exemptions and Reductions Outside This Article**

[New] **Sec. 1.** This article is not intended to be an exhaustive compilation of all sources of educational costs exemptions and reductions in the Indiana Code.

[New] **Sec. 2.** Provisions outside this article that provide for educational costs exemptions and reductions include the following:

- (1) IC 10-12-2-6 (free tuition for children of an employee of the state police department who is killed in the line of duty).
- (2) IC 10-12-2-11 (child or spouse of an employee of the state



1 **police department who sustains catastrophic personal injury**  
 2 **in the line of duty).**

3 **Chapter 4. Tuition and Fee Exemption for Children of Veterans**

4 [20-12-19-1(a)] ~~Sec. 1. (a) As used in this section, "state educational~~  
 5 ~~institution" has the meaning set forth in IC 20-12-0.5-1.~~

6 [20-12-19-1(b)] ~~(b) Sec. 1.~~ This ~~section~~ **chapter** applies to the  
 7 following persons:

8 (1) A person who:

9 (A) is a pupil at the Soldiers' and Sailors' Children's Home;

10 (B) was admitted to the Soldiers' and Sailors' Children's Home  
 11 because the person was related to a member of the armed  
 12 forces of the United States;

13 (C) is eligible to pay the resident tuition rate at the state  
 14 educational institution the person will attend as determined by  
 15 the institution; and

16 (D) possesses the requisite academic qualifications.

17 (2) A person:

18 (A) whose mother or father:

19 (i) served in the armed forces of the United States;

20 (ii) received the Purple Heart decoration or was wounded as  
 21 a result of enemy action; and

22 (iii) received a discharge or separation from the armed  
 23 forces other than a dishonorable discharge;

24 (B) who is eligible to pay the resident tuition rate at the state  
 25 educational institution the person will attend as determined by  
 26 the institution; and

27 (C) who possesses the requisite academic qualifications.

28 (3) A person:

29 (A) whose mother or father:

30 (i) served in the armed forces of the United States during  
 31 ~~any~~ **a** war or performed duty equally hazardous that was  
 32 recognized by the award of a service or campaign medal of  
 33 the United States;

34 (ii) suffered a service connected death or disability as  
 35 determined by the United States Department of Veterans  
 36 Affairs; and

37 (iii) received any discharge or separation from the armed  
 38 forces other than a dishonorable discharge;

39 (B) who is eligible to pay the resident tuition rate at the state  
 40 educational institution the person will attend, as determined by  
 41 the institution; and

42 (C) who possesses the requisite academic qualifications.

43 [20-12-19-1(c) (part)] ~~(c) Sec. 2. Beginning with the semester or~~  
 44 ~~term that begins in the fall of 2000, a person described in subsection~~  
 45 ~~(b) An eligible applicant~~ is entitled to enter, remain, and receive  
 46 instruction in a state educational institution upon the same conditions,



1 qualifications, and regulations prescribed for other applicants for  
 2 admission to or scholars in the state educational institutions, without  
 3 the payment of any ~~tuition or mandatory fees~~ **educational costs** for one  
 4 hundred twenty-four (124) semester credit hours in the state  
 5 educational institution.

6 [20-12-19-1(c) (part)] **Sec. 3.** For purposes of this chapter, the  
 7 commission for higher education ~~of the state of Indiana~~ ~~(IC~~  
 8 ~~20-12-0.5-2)~~ shall define mandatory fees **that qualify as educational**  
 9 **costs** in consultation with the ~~state student assistance~~ commission. ~~(IC~~  
 10 ~~20-12-21-4).~~

11 [20-12-19-1(d)] ~~(d)~~ **Sec. 4.** If an **eligible** applicant:

- 12 (1) is permitted to matriculate in the state educational institution;
- 13 (2) ~~shall qualify~~ **qualifies** under this chapter; and
- 14 (3) ~~shall have~~ **has** earned or **has** been awarded a cash scholarship  
 15 ~~which that~~ is paid or payable to **such a state educational**  
 16 institution, from ~~whatsoever~~ **any** source;

17 the amount paid shall be applied to the credit of ~~such the eligible~~  
 18 applicant in the payment of incidental expenses of the **eligible**  
 19 applicant's attendance at the **state educational** institution. ~~and Any~~  
 20 **The** balance, if the terms of the scholarship permit, ~~shall must~~ be  
 21 returned to ~~such the eligible~~ applicant.

22 [20-12-19-1(e)] ~~(e)~~ **Sec. 5.** Determination of eligibility for higher  
 23 education benefits authorized under this ~~section~~ **chapter** is vested  
 24 exclusively in the Indiana department of veterans' affairs. Any  
 25 applicant for ~~these~~ benefits **under this chapter** may make a written  
 26 request for a determination of eligibility by the Indiana department of  
 27 veterans' affairs. The director or deputy director of the **Indiana**  
 28 department of **veterans' affairs** shall make a written determination of  
 29 eligibility in response to each request. In determining the amount of an  
 30 ~~individual's~~ **applicant's** benefit, the ~~state student assistance~~  
 31 commission shall consider other higher education financial assistance  
 32 ~~as provided in section 2 of conformity with~~ this chapter.

33 [20-12-19-1(f)] ~~(f)~~ **Sec. 6.** An appeal from an adverse determination  
 34 **under section 5 of this chapter** ~~shall must~~ be made in writing to the  
 35 veterans' affairs commission not more than fifteen (15) working days  
 36 following the applicant's receipt of the determination. A final order  
 37 ~~shall must~~ be made by a simple majority of the veterans' affairs  
 38 commission not more than fifteen (15) days following receipt of the  
 39 written appeal.

40 [20-12-19-1(g)] ~~(g)~~ **Sec. 7.** A person who knowingly or intentionally  
 41 submits a false or misleading application or other document under this  
 42 ~~section~~ **chapter** commits a Class A misdemeanor.

43 [20-12-19-2] ~~Sec. 2:~~ **8.** The amount of the benefits under this  
 44 chapter is equal to one (1) of the following amounts:

- 45 (1) If the applicant does not receive financial assistance  
 46 specifically designated for ~~tuition and mandatory fees~~;





**educational costs**, the amount determined under section ~~†~~ 2 of this chapter.

(2) If the applicant receives financial assistance specifically designated for ~~tuition and mandatory fees~~: **educational costs**:

(A) the amount determined under section ~~†~~ 2 of this chapter; minus

(B) the financial assistance specifically designated for ~~tuition and mandatory fees~~: **educational costs**.

#### **Chapter 5. Tuition Exemption for Senior Citizens**

[20-12-19.3-1] ~~Sec. 1. As used in this chapter, "commission" refers to the state student assistance commission (as defined in IC 20-12-21-4).~~

[20-12-19.3-2] ~~Sec. 2. As used in this chapter, "institution" means a state college or university that is supported in whole or in part by appropriations made by the general assembly, including any branch campus operated by a state college or university.~~

[20-12-19.3-5] ~~Sec. 5. 1.~~ (a) The senior citizens tuition fund is established to provide full or partial reimbursements to **state educational** institutions for the amount of tuition waived under ~~section 4~~ of this chapter.

(b) The fund shall be administered by the commission.

(c) The expenses of administering the fund shall be paid from money in the fund.

(d) The treasurer of state shall invest the money not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested.

[20-12-19.3-4(a)] ~~Sec. 4. 2.~~ ~~(a)~~ Except as provided in ~~subsection (c), an~~ **section 4 of this chapter, a state educational** institution shall:

(1) admit a senior citizen to ~~any~~ a scheduled course where there is space available; and

(2) grant a waiver of the tuition assessed for the course as provided in ~~subsection (b):~~ **section 3 of this chapter**.

[20-12-19.3-4(b)] ~~(b)~~ **Sec. 3.** The amount of the tuition waived under ~~subsection (a)~~ **section 2 of this chapter shall be must** equal to fifty percent (50%) of the in-state tuition assessed for the course by the **state educational** institution.

[20-12-19.3-4(c)] ~~(c)~~ **Sec. 4. an A state educational** institution is not required to do the following:

(1) Allow a senior citizen to enroll in a degree granting program, unless the senior citizen meets the admission standards of the institution.

(2) Permit the full-time equivalent enrollment of senior citizens for whom tuition has been waived to exceed two percent (2%) of the institution's undergraduate full-time equivalent enrollment.

(3) Waive a senior citizen's tuition for more than the equivalent of nine (9) semester hours per semester.



(4) Waive fees for self-supporting programs, applications, registration, or laboratory work.

[20-12-19.3-6] ~~Sec. 6: 5.~~ (a) ~~an~~ **A state educational** institution may receive a reimbursement from the fund for an amount equal to:

(1) the amount of total tuition waived under ~~section 4~~ of this chapter; or

(2) if the amount in the fund is insufficient to cover the tuition waivers for all of the institutions, a pro rata reduction of the amount of total tuition waivers based upon the number of senior citizens for which the institution provides tuition waivers compared to the total number of senior citizens who participate under this chapter statewide.

(b) To receive a reimbursement under subsection (a), the **state educational** institution must apply to the commission, on forms provided by the commission, for the reimbursement.

[20-12-19.3-7] ~~Sec. 7: 6.~~ (a) In addition, not later than thirty (30) days after the end of each semester (or its equivalent if the **state educational** institution does not conduct its academic year on a semester basis), each **state educational** institution shall provide the commission and the commission for higher education with a comprehensive report detailing the extent to which the institution participated in the senior citizen tuition exemption under this chapter.

(b) The report must include the following information:

(1) The number of senior citizens who qualified for a tuition exemption.

(2) The courses in which the senior citizens enrolled.

(3) The number of semester hours (or its equivalent) taken by senior citizens under this chapter.

(4) Any other pertinent information required by the commission.

[20-12-19.3-8] ~~Sec. 8: 7.~~ This chapter does not prohibit ~~an~~ **a state educational** institution from offering other educational opportunities that are not covered by this chapter to senior citizens at no charge or at a reduced charge.

## **Chapter 6. Tuition and Fee Exemption for Children and Surviving Spouse of Public Safety Officers Killed in the Line of Duty**

[20-12-19.5-1(c) (part)] ~~(c)~~ **Sec. 1.** This ~~section~~ **chapter** applies to the children and surviving spouse of

(1) ~~a regular, paid law enforcement officer;~~

(2) ~~a regular, paid firefighter;~~

(3) ~~a volunteer firefighter (as defined in IC 36-8-12-2);~~

(4) ~~a county police reserve officer;~~

(5) ~~a city police reserve officer;~~

(6) ~~a paramedic (as defined in IC 16-18-2-266);~~

(7) ~~an emergency medical technician (as defined in IC 16-18-2-112);~~



(8) an advanced emergency medical technician (as defined in IC 16-18-2-6) (repealed); or  
 (9) a hazardous duty employee of the department of correction who:

(A) works within a prison or juvenile facility; or

(B) performs parole or emergency response operations and functions;

**a public safety officer** if the public safety officer described in this subsection was a resident of Indiana ~~and when~~ was killed in the line of duty. ~~before, on, or after July 1, 1993.~~

[20-12-19.5-1(a)] Sec. 1. ~~(a)~~ The children of

(1) regular, paid law enforcement officers;

(2) regular, paid firefighters;

(3) volunteer firefighters (as defined in IC 36-8-12-2);

(4) county police reserve officers;

(5) city police reserve officers;

(6) paramedics (as defined in IC 16-18-2-266);

(7) emergency medical technicians (as defined in IC 16-18-2-112);

(8) advanced emergency medical technicians (as defined in IC 16-18-2-6) (repealed); or

(9) hazardous duty employees of the department of correction who:

(A) work within a prison or juvenile facility; or

(B) perform parole or emergency response operations and functions;

**a public safety officer** who ~~have has~~ been killed in the line of duty ~~shall are not be~~ required to pay tuition or mandatory fees educational costs at any a state educational institution or state supported college, university, or technical school, so long as the children are under the age of less than twenty-three (23) years of age and are full-time students pursuing a prescribed course of study.

[20-12-19.5-1(b)] ~~(b)~~ Sec. 3. The surviving spouse of

(1) a regular, paid law enforcement officer;

(2) a regular, paid firefighter;

(3) a volunteer firefighter (as defined in IC 36-8-12-2);

(4) a county police reserve officer;

(5) a city police reserve officer;

(6) a paramedic (as defined in IC 16-18-2-266);

(7) an emergency medical technician (as defined in IC 16-18-2-112);

(8) an advanced emergency medical technician (as defined in IC 16-18-2-6) (repealed); or

(9) a hazardous duty employee of the department of correction who:

(A) works within a prison or juvenile facility; or



1 (B) performs parole or emergency response operations and  
 2 functions;  
 3 a public safety officer who has been killed in the line of duty may is  
 4 not be required to pay tuition or mandatory fees educational costs at  
 5 any a state educational institution or state supported college,  
 6 university, or technical school, so as long as the surviving spouse is  
 7 pursuing a prescribed course of study at the institution towards an  
 8 undergraduate degree.

9 [20-12-19.5-2] Sec. 2: 4. The amount of the benefits under this  
 10 chapter is equal to one (1) of the following amounts:

11 (1) If ~~the~~ an eligible applicant does not receive financial  
 12 assistance specifically designated for ~~tuition and mandatory fees,~~  
 13 **educational costs**, the amount determined under section ~~2 or 3~~  
 14 of this chapter **that is applicable to the eligible applicant.**

15 (2) If ~~the~~ an eligible applicant receives financial assistance  
 16 specifically designated for ~~tuition and mandatory fees:~~  
 17 **educational costs:**

18 (A) the amount determined under section ~~2 or 3~~ of this  
 19 chapter **that is applicable to the eligible applicant;** minus

20 (B) the financial assistance specifically designated for ~~tuition~~  
 21 ~~and mandatory fees:~~ **educational costs.**

## 22 Chapter 7. Tuition and Fee Exemption for Children and Spouses 23 of National Guard Members

24 [20-12-19.7-1] Sec. 1: As used in this chapter, "state educational  
 25 institution" has the meaning set forth in IC 20-12-0.5-1.

26 [20-12-19.7-2(a) (part)] Sec. 2: 1. ~~(a)~~ **This chapter applies to an**  
 27 individual:

28 (1) whose father, mother, or spouse:

29 (A) was a member of the Indiana National Guard; and

30 (B) suffered a service connected death while serving on state  
 31 active duty (as described in IC 10-16-7-7);

32 (2) who is eligible to pay the resident tuition rate (as determined  
 33 by the **state educational** institution) at the state educational  
 34 institution in which the individual is enrolled or will enroll; and

35 (3) who possesses the requisite academic qualifications.

36 [20-12-19.7-2(a) (part)] Sec. 2. An eligible applicant is exempt  
 37 from the payment of ~~tuition and mandatory fees educational costs~~ for  
 38 instruction at the state educational institution in which the ~~individual~~  
 39 **eligible applicant** is enrolled or will enroll.

40 [20-12-19.7-2(b)] ~~(b)~~ Sec. 3. An ~~individual~~ eligible applicant may  
 41 receive the tuition exemption ~~described in subsection (a) under this~~  
 42 **chapter** for all semester credit hours in which the ~~individual~~ **eligible**  
 43 **applicant** enrolls up to a maximum of one hundred twenty-four (124)  
 44 semester credit hours.

45 [20-12-19.7-2(c)] ~~(c)~~ Sec. 4. An ~~individual~~ eligible applicant  
 46 qualifying for or receiving the tuition exemption ~~described in~~



1 ~~subsection (a)~~ **under this chapter** is entitled to enter, remain, and  
 2 receive instruction at a state educational institution under the same  
 3 conditions, qualifications, and regulations that apply to:

4 (1) applicants for admission to; or

5 (2) students enrolled in;

6 the state educational institution who do not qualify for or receive the  
 7 ~~tuition~~ **educational costs** exemption.

8 [20-12-19.7-2(d)] ~~(d)~~ **Sec. 5.** For purposes of this section, The  
 9 commission for higher education ~~established by IC 20-12-0.5-2~~ shall  
 10 define the mandatory fees **that are exempt educational costs** in  
 11 consultation with the ~~state student assistance~~ commission. ~~established~~  
 12 ~~by IC 20-12-21-4.~~

13 [20-12-19.7-3] ~~Sec. 3:~~ **6.** If an ~~individual~~ **eligible applicant:** who:

14 (1) qualifies for or is receiving the ~~tuition~~ **educational costs**  
 15 exemption under ~~section 2~~ of this chapter; and

16 (2) receives other financial assistance specifically designated for  
 17 ~~tuition and mandatory fees~~ **educational costs** at the state  
 18 educational institution in which the individual is enrolled or will  
 19 enroll;

20 the state educational institution shall deduct the amount of the financial  
 21 assistance specifically designated for ~~tuition and mandatory fees~~  
 22 **educational costs** from the amount of the ~~tuition~~ **educational costs**  
 23 exemption under ~~section 2~~ of this chapter.

24 [20-12-19.7-4] ~~Sec. 4:~~ **7.** If an ~~individual~~ **eligible applicant:** who:

25 (1) qualifies for or is receiving the ~~tuition~~ **educational costs**  
 26 exemption under ~~section 2~~ of this chapter; and

27 (2) earns or is awarded a cash scholarship from any source that is  
 28 paid or payable to the state education institution in which the  
 29 ~~individual~~ **eligible applicant** is enrolled or will enroll;

30 the state educational institution shall credit the amount of the cash  
 31 scholarship to the ~~individual~~ **eligible applicant** for the payment of  
 32 incidental expenses incurred by the ~~individual~~ **eligible applicant** in  
 33 attending the state educational institution, with the balance, if any, of  
 34 the award, if the terms of the scholarship permit, paid to the ~~individual~~  
 35 **eligible applicant**.

36 [20-12-19.7-5(a)] ~~Sec. 5:~~ **8.** ~~(a)~~ The determination as to whether an  
 37 individual is eligible for the ~~tuition~~ **educational costs** exemption  
 38 authorized by this chapter is vested exclusively with the military  
 39 department established by IC 10-16-2-1.

40 [20-12-19.7-5(b)] ~~(b)~~ **Sec. 9.** An **eligible** applicant for the ~~tuition~~  
 41 **educational costs** exemption ~~shall~~ **must** make a written request to the  
 42 adjutant general for a determination of the individual's eligibility.

43 [20-12-19.7-5(c)] ~~(c)~~ **Sec. 10.** In response to each request ~~described~~  
 44 ~~in subsection (b),~~ **under this chapter for an educational costs**  
 45 **exemption**, the adjutant general shall make a written determination of  
 46 the applicant's eligibility.



[20-12-19.7-5(d); 20-12-19.7-5(e)] ~~(d)~~ **Sec. 11. (a)** An applicant for an educational costs exemption under this chapter may appeal an adverse determination in writing to the military department not more than fifteen (15) business days after the date the applicant receives the determination under ~~subsection (c):~~ **this chapter.**

~~(c)~~ **(b)** The military department shall issue a final order not more than fifteen (15) business days after the department receives a written appeal under subsection ~~(d):~~ **(a).**

[20-12-19.7-6] ~~Sec. 6:~~ **12.** A person who knowingly or intentionally:

(1) submits a false or misleading application or another document; or

(2) makes a false or misleading statement;

to obtain a benefit under this chapter commits a Class A misdemeanor.

### **Chapter 8. Tuition Exemption for Double Up Students**

[20-30-11.5-6(c)] ~~(c)~~ **Sec. 1.** A state educational institution shall waive tuition for a student who is:

(1) eligible for free or reduced lunch in high school;

(2) accepted into the **double up for college** program under **IC 21-43-5;** and

(3) accepted for admission to the state educational institution.

SECTION 26. IC 21-15 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]:

## **ARTICLE 15. STATE EDUCATIONAL INSTITUTIONS: SCHOLARSHIPS AND GRANTS**

### **Chapter 1. Applicability**

[20-12-26-1] ~~Sec. 1:~~ All scholarships in the state university, issued for or founded upon subscription monies paid by individuals towards the construction of the university buildings; or any of them; or the right to use said scholarships for any session or sessions of the college year in said institution, may be transferred or sold by the holders thereof for a valuable consideration.

[20-12-27-1] ~~Sec. 1:~~ The contingent fee on perpetual scholarships issued by the trustees of the state university shall not be more than one dollar (\$1) per session; provided, that the trustees are hereby authorized to purchase said scholarships whenever in their opinion it is for the best interests of the university, at not more than ninety cents (\$0.90) to the dollar, by giving notice in some newspaper published in the city of Bloomington that they are ready to purchase said scholarships; and after the date of such notice, no person shall be entitled to any benefits under the provisions of said scholarships, except to sell the same, as is provided in this section.

[New] **Sec. 1.** This article applies only to state educational institutions.

### **Chapter 2. Power to Award Financial Aid**

[20-12-1-2(a)(8) (part)] ~~(8)~~ **Sec. 1.** to award **(a)** This section applies



to the board of trustees of the following state educational institutions:

- (1) Ball State University.
- (2) Indiana University.
- (3) Indiana State University.
- (4) Purdue University.
- (5) University of Southern Indiana.

(b) The board of trustees of a state educational institution may award financial aid to students and groups of students out of the available resources of the state educational institution through:

- (1) scholarships;
- (2) fellowships;
- (3) loans; and
- (4) remissions of fees, tuitions, charges, or other funds;

on the basis of financial need, excellence of academic achievement or potential achievement, or any other basis as that the governing board of trustees may find finds to be reasonably related to the educational purposes and objectives of the institution. and

[20-12-1-2(a)(8) (part)] Sec. 2. (a) This section applies to the board of trustees of the following state educational institutions:

- (1) Ball State University.
- (2) Indiana University.
- (3) Indiana State University.
- (4) Purdue University.
- (5) University of Southern Indiana.

(b) The board of trustees of a state educational institution shall award financial aid in the best interest of the institution and the state.

[20-12-61-13(a)(9) (part)] Sec. 3. The board of trustees of Ivy Tech Community College may (9) Establish a schedule of fees or charges for students and provide scholarships and remission of fees in proper cases.

### Chapter 3. Assistance to Individuals Who are Blind

[20-12-20-1] Sec. 1. Whenever any If a blind person:

- (1) has matriculated matriculates in any of the departments a department of:

- (A) Indiana University;
- (B) Purdue University;
- (C) Ball State University; or
- (D) the Indiana State Normal School; University; and

(2) shall make format request therefor; requests the administration to provide an assistant to read to the person; it shall be the duty of the boards of trustees the board of trustees of the state educational institution and the executive officers of such institutions to the state educational institution shall supply, free of charge, an assistant for at least three (3) hours per day for the purpose of reading to such student to read to the student under the direction



of the faculty of ~~said the state educational~~ institution.

**Chapter 4. County Scholars; Ball State University**

[20-12-60-1 (part)] Sec. 1. The board of trustees and faculty of

~~(1) the University of Southern Indiana;~~

~~(2) Indiana State University;~~

~~(3) Ball State University and~~

~~(4) Vincennes University;~~

may appoint annually to ~~the Ball State University under their~~  
~~respective jurisdiction not less than at least two (2) students or~~  
~~scholars individuals~~ from each county in ~~this state: Indiana.~~

[20-12-60-1 (part)] Sec. 2. The ~~nominations~~ **appointments under**  
**this chapter** shall be made on the basis of scholarship and superior  
 mental ability.

[20-12-60-1 (part)] Sec. 3. (a) **Except as provided in subsection**  
**(b), Scholars individuals** appointed under this ~~section~~ **chapter** are  
 entitled to enter, remain, and receive instruction in ~~the respective Ball~~  
**State** University for the next school year after their appointment, upon  
 the same conditions, qualifications, and regulations prescribed for other  
 applicants for admission to, or students in, ~~the respective universities.~~  
**However, Ball State University.**

(b) Any student attending ~~the respective Ball State~~ University under  
 this chapter shall not be chargeable for the payment of any contingent  
 fees. ~~and these appointments~~

[20-12-60-1 (part)] Sec. 4. **An appointment under this chapter**  
 may be made from students eligible to enter ~~the respective Ball State~~  
 University or students in attendance at ~~the respective Ball State~~  
 University.

**Chapter 5. County Scholars; Indiana State University**

[20-12-60-1 (part)] Sec. 1. The board of trustees and faculty of

~~(1) the University of Southern Indiana;~~

~~(2) Indiana State University~~

~~(3) Ball State University; and~~

~~(4) Vincennes University;~~

may appoint annually to ~~the Indiana State University under their~~  
~~respective jurisdiction not less than at least two (2) students or~~  
~~scholars individuals~~ from each county in ~~this state: Indiana.~~

[20-12-60-1 (part)] Sec. 2. The ~~nominations~~ **appointments under**  
**this chapter** shall be made on the basis of scholarship and superior  
 mental ability.

[20-12-60-1 (part)] Sec. 3. (a) **Except as provided in subsection**  
**(b), Scholars individuals** appointed under this ~~section~~ **chapter** are  
 entitled to enter, remain, and receive instruction in ~~the respective~~  
**Indiana State** University for the next school year after their  
 appointment, upon the same conditions, qualifications, and regulations  
 prescribed for other applicants for admission to, or students in, ~~the~~  
~~respective universities. However, Indiana State University.~~





(b) Any student attending ~~the respective~~ **Indiana State** University under this chapter shall not be chargeable for the payment of any contingent fees. ~~and these appointments~~

[20-12-60-1 (part)] **Sec. 4. An appointment under this chapter** may be made from students eligible to enter ~~the respective~~ **Indiana State** University or students in attendance at ~~the respective~~ **Indiana State** University.

#### **Chapter 6. County Scholars; Indiana University**

[20-12-23-10 (part)] ~~Sec. 1.~~ **1.** The board of trustees and faculty of Indiana University shall appoint annually to ~~said~~ **Indiana** University ~~not less than at least~~ two (2) students or scholars from each county in ~~this state.~~ **Indiana.** Such

[20-12-23-10 (part)] ~~Sec. 2. Nominations~~ **Appointments of individuals under this chapter shall must** be made on the basis of scholarship and superior mental ability. ~~Scholars so~~

[20-12-23-10 (part)] **Sec. 3. (a) Except as provided in subsection (b), an individual appointed shall be under this chapter is** entitled to enter, remain, and receive instruction in ~~said~~ **Indiana** University for the next school year after ~~their the individual's~~ appointment ~~upon under~~ the same conditions, qualifications, and regulations prescribed for other applicants for admission to, or students in, ~~said~~ **Indiana** University. ~~provided; however; that any~~

(b) A student attending ~~said~~ **Indiana** University ~~pursuant to after~~ appointment ~~by virtue of under~~ this section ~~shall in no wise~~ **chapter may not** be chargeable for the payment of ~~charged~~ any contingent fees. ~~and; provided; further; that such appointments~~

[20-12-23-10 (part)] **Sec. 4. An appointment under this chapter** may be made from students:

(1) eligible to enter; ~~said university; or students~~

(2) in attendance at; ~~said~~

**Indiana** University.

[20-12-23-11] ~~Sec. 5.~~ **5.** The secretary of the board of trustees of **Indiana University** shall notify the county auditor of ~~each a county of the state~~ whenever there ~~shall not be in attendance at~~ **are fewer students attending** the university ~~the number of students which such~~ **than the county is entitled to send free of tuition. of which such** Upon receiving the notice, the county auditor shall ~~notify~~ **inform** the board of commissioners of ~~such the county at its the board of~~ **commissioners'** next meeting.

#### **Chapter 7. County Scholars; Ivy Tech Community College**

[20-12-61-15 (part)] ~~Sec. 15. (a)~~ **1.** The state board and faculty of Ivy Tech **Community College** may appoint annually to Ivy Tech ~~not less than~~ **Community College** at least two (2) students from each county in Indiana.

[20-12-61-15 (part)] **Sec. 2.** The ~~nominations~~ **appointments of individuals under this chapter shall must** be made on the basis of



scholarship and superior ability.

[20-12-61-15 (part)] ~~(b)~~ **Sec. 3. (a)** Except as provided in subsection ~~(c)~~, **(b)**, students appointed under this ~~section~~ **chapter** are entitled to enter, remain, and receive instruction in Ivy Tech **Community College** for the next school year after their appointment, ~~upon~~ **under** the same conditions, qualifications, and regulations prescribed for other applicants for admission to, or students in, Ivy Tech **Community College**.

~~(c)~~ **(b)** A student attending Ivy Tech **Community College** under this ~~section~~ **chapter** is not chargeable for the payment of any contingent fees.

[20-12-61-15 (part)] ~~(d)~~ **Sec. 4.** An appointment under this ~~section~~ **chapter** may be made from students eligible to enter Ivy Tech **Community College** or students in attendance at Ivy Tech **Community College**.

#### **Chapter 8. County Scholars; Purdue University**

[20-12-51-1 (part)] **Sec. 1.** The board of trustees of Purdue University, upon the recommendation of the **Purdue University** faculty, ~~of said institution~~, may appoint annually ~~not less than at least~~ two (2) students or scholars from each county in ~~this state~~ **Indiana**.

[20-12-51-1 (part)] **Sec. 2.** The recommendations for ~~said~~ appointments ~~under this chapter shall~~ **must** be based upon ~~such~~ the tests, examinations, and records ~~as may be that are~~ prescribed by ~~said~~ **the Purdue University** faculty.

[20-12-51-1 (part)] **Sec. 3. (a)** ~~Except as provided in subsection (b), students or scholars so an individual~~ appointed ~~shall be under this chapter is~~ entitled to enter, remain, and receive instruction ~~upon~~ **under** the same conditions, qualifications, and regulations prescribed for other students in ~~the Purdue University~~. ~~provided, however, that~~

**(b)** Every A student admitted to ~~said Purdue University by virtue of under this section chapter shall in no wise may not~~ be chargeable ~~charged~~ for the payment of any tuition or incidental fees.

#### **Chapter 9. County Scholars; University of Southern Indiana**

[20-12-60-1 (part)] **Sec. 1.** The board of trustees and faculty of

~~(1)~~ the University of Southern Indiana

~~(2)~~ Indiana State University;

~~(3)~~ Ball State University; and

~~(4)~~ Vincennes University;

may appoint annually to the University ~~under their respective jurisdiction of Southern Indiana not less than at least~~ two (2) students ~~or scholars individuals~~ from each county in ~~this state~~ **Indiana**.

[20-12-60-1 (part)] **Sec. 2.** The ~~nominations~~ **appointments under this chapter** shall be made on the basis of scholarship and superior mental ability.

[20-12-60-1 (part)] **Sec. 3. (a)** ~~Except as provided in subsection (b), Scholars individuals~~ appointed under this ~~section~~ **chapter** are



entitled to enter, remain, and receive instruction in the ~~respective~~ University of Southern Indiana for the next school year after their appointment, upon the same conditions, qualifications, and regulations prescribed for other applicants for admission to, or students in, the ~~respective universities. However, University of Southern Indiana.~~

(b) Any student attending the ~~respective~~ University of Southern Indiana under this chapter shall not be chargeable for the payment of any contingent fees. ~~and these appointments~~

[20-12-60-1 (part)] **Sec. 4. An appointment under this chapter** may be made from students eligible to enter the ~~respective~~ University of Southern Indiana or students in attendance at the ~~respective~~ University of Southern Indiana.

#### **Chapter 10. County Scholars; Vincennes University**

[20-12-60-1 (part)] **Sec. 1.** The board of trustees and faculty of

(1) ~~the University of Southern Indiana;~~

(2) ~~Indiana State University;~~

(3) ~~Ball State University; and~~

(4) Vincennes University

may appoint annually to ~~the Vincennes University under their~~ ~~respective jurisdiction not less than at least two (2) students or~~ ~~scholars individuals~~ from each county in ~~this state. Indiana.~~

[20-12-60-1 (part)] **Sec. 2.** The ~~nominations appointments under~~ **this chapter** shall be made on the basis of scholarship and superior mental ability.

[20-12-60-1 (part)] **Sec. 3. (a) Except as provided in subsection (b), Scholars individuals** appointed under this ~~section chapter~~ are entitled to enter, remain, and receive instruction in ~~the respective~~ Vincennes University for the next school year after their appointment, upon the same conditions, qualifications, and regulations prescribed for other applicants for admission to, or students in, ~~the respective universities. However, Vincennes University.~~

(b) Any student attending ~~the respective~~ Vincennes University under this chapter shall not be chargeable for the payment of any contingent fees. ~~and these appointments~~

[20-12-60-1 (part)] **Sec. 4. An appointment under this chapter** may be made from students eligible to enter ~~the respective~~ Vincennes University or students in attendance at ~~the respective~~ Vincennes University.

SECTION 27. IC 21-16 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]:

#### **ARTICLE 16. WORK STUDY PROGRAMS; STUDENT LOANS; LEGAL CAPACITY TO CONTRACT FOR STUDENT LOANS**

##### **Chapter 1. General Provisions; Definitions**

[New] **Sec. 1.** The definitions in this chapter apply throughout



1 **this article.**

2 [20-12-21.1-1(a)] ~~Sec. 2.~~ **2. (a) "Approved lender", for the**  
3 **purposes of IC 21-16-4, means:**

4 (1) ~~any~~ **a** qualified institution; or

5 (2) ~~any~~ **a** bank, trust company, savings association, credit union,  
6 or other entity as described in 20 U.S.C. 1085(d) whose primary  
7 consumer credit function is not the making of guaranteed student  
8 loans and which is examined and supervised by the appropriate  
9 state or federal regulatory agency.

10 ~~(b) "Commission" means the student assistance commission~~  
11 ~~established under IC 20-12-21-4.~~

12 [20-12-20.5-1 (part)] ~~Sec. 3.~~ **3. As used in this chapter:**  
13 **"Commission" refers to the state student assistance commission.**  
14 ~~established under IC 20-12-21-4.~~

15 [20-12-21.2-1(1)] ~~Sec. 4.~~ **4. As used in this chapter: (1)**  
16 **"Corporation" refers to the corporation designated by the governor**  
17 **under section 2 of this chapter. IC 21-16-5-1.**

18 [20-12-21.2-1(2)] ~~(2) Sec. 5.~~ **5. "Education loan" means a loan insured**  
19 **or guaranteed under a federal or state program or a program of private**  
20 **insurance that is made to assist a student in obtaining postsecondary**  
21 **education and that is:**

22 ~~(A) (1)~~ **(1)** made to any Indiana student, or **to** either one (1) or both  
23 parents or the legal guardian of the student, for the purpose of  
24 attending an Indiana or non-Indiana institution;

25 ~~(B) (2)~~ **(2)** made to any non-Indiana student, or **to** one (1) or both  
26 parents or the legal guardian of the student, for the purpose of  
27 attending an Indiana institution; or

28 ~~(C) (3)~~ **(3)** made or owned by any lending institution:

29 **(A) with offices an office located in Indiana; or by any**  
30 **lending institution**

31 **(B) whose affiliate has an office located in Indiana or located**  
32 **in a state in which an Indiana bank or an Indiana bank holding**  
33 **company is entitled under Indiana law to acquire a bank or**  
34 **bank holding company.**

35 [20-12-20.5-1 (part)] **Sec. 6. "Eligible employer" means:**

36 (1) for purposes of the summer work study program:

37 (A) an approved institution of higher learning; ~~as defined in~~  
38 ~~IC 20-12-21-3;~~

39 (B) a state or local governmental unit; or

40 (C) a private ~~not for profit~~ **nonprofit** organization located in  
41 Indiana performing work in the public interest; and

42 (2) for purposes of the in school work study program, an approved  
43 institution of higher learning. ~~as defined in IC 20-12-21-3.~~

44 [20-12-20.5-1 (part)] **Sec. 7. "Eligible student" means:**

45 (1) for purposes of the summer work study program, a student  
46 who:



1 (A) has completed at least one (1) academic year as a ~~fulltime~~  
 2 **full-time** student at an approved institution of higher  
 3 education in Indiana; and

4 (B) has received a financial aid award from the commission  
 5 for the immediately preceding academic year; and

6 (2) for purposes of the in school work study program, a student  
 7 who:

8 (A) is enrolled as a ~~fulltime~~ **full-time** student at an approved  
 9 institution of higher education in Indiana; and

10 (B) has received a financial aid award from the commission  
 11 for the current academic year.

12 [20-12-21.2-1(4)] ~~(4)~~ **Sec. 8. "Federal program", for the purposes**  
 13 **of IC 21-16-5, means any a program operated by the United States**  
 14 **Secretary of Education under which the United States Secretary of**  
 15 **Education provides guarantees or reinsurances of loans made to**  
 16 **students or to either one (1) or both parents or the legal guardians of the**  
 17 **students for the purpose of assisting to assist students in obtaining**  
 18 **postsecondary education.**

19 [New] **Sec. 9. "Fund":**

20 (1) **for purposes of IC 21-16-2, refers to the college work**  
 21 **study fund established by IC 21-16-2-2;**

22 (2) **for purposes of IC 21-16-4, refers to the student loan**  
 23 **program fund established by IC 21-16-4-11; and**

24 (3) **for purposes of IC 21-16-5, refers to the secondary market**  
 25 **sale fund established by IC 21-16-5-17.**

26 [20-12-21.1-1(c)] ~~(c)~~ **Sec. 10. "Guaranteed student loans", for**  
 27 **purposes of IC 21-16-4, means loans issued by approved lenders to**  
 28 **students or either one (1) or both parents of students pursuant to under**  
 29 **state and federal law.**

30 [20-12-21.1-1(d)] ~~(d)~~ **Sec. 11. "Half time students" means**  
 31 **certificate, diploma, associate, baccalaureate, graduate, or professional**  
 32 **students enrolled in courses sufficient for them to be considered**  
 33 **half-time by the a qualified institution.**

34 [New] **Sec. 12. "Institution of higher education" refers to an**  
 35 **entity to which IC 21-16-3 applies.**

36 [20-12-21.1-1(e)] ~~(e)~~ **Sec. 13. "Qualified institution" means any**  
 37 **postsecondary educational institution which that is approved by the**  
 38 **commission for the purposes of this chapter. IC 21-16-4. However, the**  
 39 **term does not include an institution offering exclusively**  
 40 **correspondence or home study courses. is not a qualified institution.**

41 [20-12-21.2-1(3)] ~~(3)~~ **Sec. 14. "Lending institution", for the**  
 42 **purposes of IC 21-16-5, means an institution that makes or holds**  
 43 **education loans. and**

44 [20-12-21.1-1(f)] ~~(f)~~ **Sec. 15. "Resident" means a United States**  
 45 **citizen or alien who is admitted into the United States for lawful,**  
 46 **permanent residence and who:**



- (1) attends a qualified institution in Indiana;
- (2) lives in Indiana and attends a qualified institution outside Indiana;
- (3) lives outside Indiana and attends a qualified institution outside Indiana, but who:
  - (A) previously was a resident described in subdivision (1) or (2); and
  - (B) as a resident had a loan guaranteed by the commission under ~~this chapter~~, **IC 21-16-4**;
- (4) resides in a county contiguous to the boundary of Indiana; or
- (5) resides in a county that the commission approves as being within the servicing area of a participating lender, ~~which and the~~ lender is located in Indiana or in a county contiguous to the boundary of Indiana.

## **Chapter 2. College Work Study Program**

[20-12-20.5-2(a)] ~~Sec. 2. (a)~~ **1.** There is established a college work study program to be administered by the commission.

[20-12-20.5-5] ~~Sec. 5.~~ **2.** (a) The college work study fund is established ~~for the purpose of providing to provide~~ reimbursement to eligible employers who enter into agreements with the commission under this chapter.

(b) The fund consists of appropriations from the state general fund and contributions from private sources.

(c) The expenses of administering the fund shall be paid from money in the fund.

(d) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested. Interest that accrues from these investments shall be deposited in the fund.

(e) Money in the fund at the end of a particular fiscal year does not revert to the state general fund.

[20-12-20.5-3(a)] ~~Sec. 3. (a)~~ In order to implement the provisions of this chapter, the commission shall enter into agreements with eligible employers for the operation of work study programs ~~to begin after April 30, 1984~~, as provided in this chapter.

[20-12-20.5-3(b)] ~~(b) Sec. 4.~~ An agreement entered into under ~~subsection (a) this chapter shall~~ must:

- (1) provide for the ~~parttime~~ **part-time** employment by the eligible employer of eligible students:
  - (A) a maximum average of nineteen (19) hours per week for the in school program; and
  - (B) a maximum of forty (40) hours per week for the summer program;
- (2) provide for the reimbursement, to the extent possible under the then current biennial appropriation, by the state to the employer of ~~no less than~~ **at least** fifty percent (50%) of the federal



1 minimum hourly wage for each hour worked by the student for the  
2 employer;

3 (3) provide that any work performed by a student under this  
4 chapter ~~shall~~ **must** not result in the displacement of employed  
5 workers or impair existing contracts for services;

6 (4) provide that any work performed by a student under this  
7 chapter shall not involve any partisan or nonpartisan political or  
8 sectarian activities;

9 (5) provide that wage rates ~~shall~~ **must** be established by the  
10 institution, but ~~shall~~ **must** not be less than the current federal  
11 minimum wage rate; and

12 (6) contain any other provisions necessary to carry out ~~the~~  
13 ~~provisions of~~ this chapter.

14 [20-12-20.5-4(a) (part)] Sec. ~~4. (a)~~ **5.** An eligible employer that is  
15 an approved institution of higher learning that wishes to participate in  
16 the work study program under this chapter ~~shall~~ **must**:

17 (1) submit a statement to the commission no later than August 1  
18 of each year setting out the amount of money the **approved**  
19 **institution of higher learning** plans to use for work study  
20 employment in the next academic year;

21 (2) submit a statement to the commission at the close of the  
22 academic year specifying the amount of money actually expended  
23 by the **approved institution of higher learning** for work study  
24 employment that qualifies for reimbursement under this chapter;

25 (3) sign an agreement to administer the program according to the  
26 published rules and program guidelines as outlined by the  
27 commission;

28 (4) place students in an on campus or off campus work situation;  
29 and

30 (5) participate in the Job Location and Development Program of  
31 the federal Work-Study Program (42 U.S.C. 2756(a)) and  
32 maintain at least one (1) employee half time to carry out the  
33 provisions of that program, or maintain a job placement and  
34 development program that is acceptable to the commission.

35 [20-12-20.5-4(a) (part)] **Sec. 6.** An approved institution of higher  
36 learning may utilize up to ten percent (10%) of its state allotment as  
37 part of its match against the federal Work Study Program.

38 [20-12-20.5-4(b)] ~~(b)~~ **Sec. 7. An eligible employers; employer,**  
39 **other than those specified in subsection (a) an approved institution of**  
40 **higher learning governed by section 6 of this chapter, that wish**  
41 **wishes** to participate in the work-study program under this chapter  
42 ~~shall~~ **must**:

43 (1) submit a statement to the commission no later than June 1 of  
44 each year setting out the amount of money the employer plans to  
45 use for work study employment in the next year;

46 (2) submit a statement to the commission at the close of the year



specifying the amount of money actually expended by the employer for work study employment that qualifies for reimbursement under this chapter; and

(3) sign an agreement to administer the program according to the published rules and program guidelines as outlined by the commission.

[IC 20-12-20.5-6] Sec. ~~6~~ **8**. Funds received by students under this chapter for work during summer periods ~~shall~~ **must** not be considered as financial aid and ~~shall~~ **must** not be ~~utilized~~ **used** in determining awards under the provisions of ~~IC 20-12-21~~ **IC 21-12-3, IC 21-12-4, and IC 21-12-5**.

### **Chapter 3. Minors; Legal Capacity to Contract for Guaranteed Student Loans**

[20-12-21.3-1] Sec. 1. ~~Students~~ **A student** who ~~enter~~ **enters** into a ~~contracts~~ **contract** for ~~loans~~ **a loan** to finance a college education or who ~~borrow~~ **borrow**s money to defray the expense of attending any institution of higher education: ~~shall have~~

**(1) has** full legal capacity to act in ~~their~~ **the student's** own behalf in ~~these~~ **this** transactions; ~~transaction~~; and with respect thereto ~~shall be~~

**(2) is** subject to any ~~obligations~~ **obligation** that ~~arising~~ **arises** from ~~such contracts~~ **the contract**.

### **Chapter 4. Guaranteed Student Loan Program**

[20-12-21.1-2(1)] Sec. ~~2~~ **1**. The commission ~~has~~ **the following powers and duties:** ~~(1) To~~ **may** approve, as qualified institutions, any postsecondary educational institutions ~~institution~~ **which meet that meets** the standards established by the commission.

[20-12-21.1-2(2)] ~~(2)~~ **Sec. 2. To** ~~The commission may~~ establish reasonable eligibility criteria for the initial and continuing participation of approved lenders in the student loan program.

[20-12-21.1-2(3)] ~~(3)~~ **Sec. 3. To** ~~The commission may~~ guarantee loans made by approved lenders upon conditions prescribed by the commission to residents who ~~are attending~~ **attend** or plan to attend qualified institutions in ~~this state~~ **Indiana** or elsewhere, ~~for the purpose of assisting them to assist the residents~~ in meeting education expenses. The commission shall guarantee ~~not less than~~ **at least** one hundred percent (100%) of the principal and interest on the loans. However, the rate of interest on guaranteed loans may not exceed the annual rate of simple interest prescribed for state student loan programs ~~pursuant to~~ **under** federal law.

[20-12-21.1-2(4)] ~~(4)~~ **Sec. 4. To** ~~The commission may~~ guarantee loans to ~~a students~~ **student**, or ~~to~~ either one (1) or both parents of a ~~students~~ **student**, who ~~attend~~ **attends** or ~~plan~~ **plans** to attend a qualified institution, who ~~are~~ **is** at least a half-time ~~students~~ **student**, and who ~~are~~ **is** accepted by the qualified institution.

~~(5) To Sue and be sued in the name of the commission.~~





1 [20-12-21.1-2(7)] ~~(7)~~ **Sec. 5. To The commission may** enter into  
 2 contracts and guaranty agreements with approved lenders, state  
 3 governmental agencies, **other** corporations, and federal governmental  
 4 agencies, including agreements for federal insurance of losses resulting  
 5 from death, default, bankruptcy, or total and permanent disability of  
 6 borrowers.

7 [20-12-21.1-2(8)] ~~(8)~~ **Sec. 6. To The commission may** require that  
 8 any loan guaranteed under this chapter be disbursed and repaid in the  
 9 manner and time that the commission prescribes.

10 [20-12-21.1-2(9)] ~~(9)~~ **Sec. 7. To The commission may** remove an  
 11 educational institution's qualified status upon finding, after reasonable  
 12 notice and hearing, that the qualified institution fails to meet the  
 13 standards established by the commission. The commission may direct  
 14 the Indiana commission on proprietary education ~~established under~~  
 15 ~~IC 20-1-19-2~~ to review ~~any~~ a school under its jurisdiction, or a  
 16 comparable school outside ~~the state which~~ **Indiana** that is a qualified  
 17 institution under this chapter. The commission may use the results of  
 18 the review ~~in determining~~ **to determine** whether to remove an  
 19 institution's qualified status.

20 ~~(10) To Accept, use, and disburse federal funds made available to~~  
 21 ~~the commission by the federal government.~~

22 [20-12-21.1-2(11)] ~~(11)~~ **Sec. 8. To The commission may** collect an  
 23 insurance premium of not more than one percent (1%) per annum of  
 24 the principal amount of the loan. The premium ~~shall~~ **must** be  
 25 calculated in accordance with federal regulations.

26 [20-12-21.1-2(12)] ~~(12)~~ **Sec. 9. To The commission may** take, hold,  
 27 and administer, on behalf of the loan program and for ~~the~~ purposes of  
 28 this chapter, property, money, and the interest and income derived from  
 29 them either absolutely or in trust. The commission may accept gifts,  
 30 grants, bequests, devises, and loans for the purposes of this chapter. ~~No~~  
 31 **An** obligation of the loan program for losses on student loans resulting  
 32 from death, default, bankruptcy, or total or permanent disability of  
 33 borrowers is **not** a debt of the state, but ~~shall be~~ **is** payable solely from  
 34 the ~~student loan program fund. established by section 4 of this chapter.~~

35 [20-12-21.1-3] ~~Sec. 3:~~ **10. (a)** Whenever the commission or its  
 36 designee has reason to believe that a lender or a qualified institution  
 37 fails to meet the eligibility criteria for approved lenders, the  
 38 commission or its designee shall call the matter to the attention of the  
 39 lender or qualified institution. The lender or qualified institution is  
 40 entitled to a reasonable opportunity to respond to the allegation and, if  
 41 the alleged violation occurred, to show that it is corrected or to submit  
 42 an acceptable plan detailing measures ~~which~~ **that** will be taken to  
 43 correct the violation and prevent its recurrence.

44 **(b)** Upon finding, after reasonable notice and hearing, that a lender  
 45 or qualified institution fails to meet the eligibility criteria for approved  
 46 lenders, the commission may:



(1) limit the number or total amount of loans which the lender or qualified institution may make under this chapter;

(2) limit the percentage of a qualified institution's total receipts for tuition and fees which may be derived from loans under this chapter for a stated period; ~~of time;~~

(3) require a qualified institution to obtain a bond, in an appropriate amount, to provide assurance that it will be able to meet its financial obligations to students enrolled in ~~such~~ institutions who received loans under this chapter; and

(4) impose other conditions or requirements on lenders or qualified institutions, or both, ~~which:~~ **that:**

(i) are reasonable and appropriate as a direct means of correcting a violation;

(ii) have a high probability for successfully correcting the violation; and

(iii) will promote the purposes of this chapter.

[20-12-21.1-4] ~~Sec. 4:~~ **11.** Funds received under the loan program shall be deposited with the treasurer of state in a separate account known as the "student loan program fund". The money remaining in the student loan program fund at the end of a state fiscal year does not revert to the state general fund. After consultation with the program director of the loan program, ~~appointed under~~ ~~IC 20-12-21-5.5;~~ the treasurer ~~of state~~ shall invest the funds. ~~Any~~ **The** income earned on ~~the invested amount so invested~~ is part of the fund.

[20-12-21.1-5] ~~Sec. 5:~~ **12.** The property, income, obligations, and activities of the program are exempt from all state and local taxation.

[20-12-21.1-6(c)] ~~(c)~~ **Sec. 13.** ~~This section does~~ **Sections 14 through 16 of this chapter do** not preclude any forbearance for the benefit of the borrower agreed upon by the parties to the guaranteed loan and the commission.

[20-12-21.1-6(a)] ~~Sec. 6:~~ ~~(a)~~ **14.** Upon default by ~~the~~ **a** borrower on a loan guaranteed under this chapter, and before the commencement of a suit or other enforcement proceedings upon security for the loan, the holder of the guaranteed loan obligation shall promptly notify the commission and the commission shall pay the holder upon that loan as soon as the amount is determined. The commission shall determine the amount of loss in accordance with its rules; however, the amount of loss may not exceed the unpaid balance of the principal amount and the unpaid accrued interest.

[20-12-21.1-6(b)] ~~(b)~~ **Sec. 15.** Upon payment by the commission of the guaranteed ~~portion~~ **part** of the loss **upon a default by a borrower,** the commission shall be subrogated to the rights of the holder of the obligation upon the insured loan and is entitled to an assignment of the note or other evidence of the guaranteed loan by the holder.

[20-12-21.1-6(d)] ~~(d)~~ **Sec. 16.** ~~The~~ **A** holder of a guaranteed loan shall exercise reasonable care and diligence in the making and



collection of loans under this chapter. If the commission finds that reasonable care and diligence is not being exercised by ~~the~~ a holder of a guaranteed loan, the commission may:

(1) withdraw its guarantee on an individual borrower basis, allowing the approved lender to continue participation in the program, after reasonable notice to the lender; or

(2) disqualify ~~an~~ **the** approved lender from the guarantee of further loans upon finding, after reasonable notice and hearing, that the lender has substantially failed to exercise reasonable care and diligence in the making and collection of loans under this chapter.

These disqualifications shall continue until the commission is satisfied that the lender will exercise reasonable care and diligence in the future.

[20-12-21.1-7] ~~Sec. 7.~~ **17.** The loan program established by this chapter may not be dissolved until all guaranteed loans have been repaid by the borrower or, if in default, by the commission. Upon dissolution of the loan program, all the property and ~~monies~~ **money** of the program not owed to the federal government ~~shall vest~~ **vests** in the state general ~~revenue~~ fund.

[20-12-21.1-8] ~~Sec. 8.~~ **18.** The attorney general shall act as legal counsel to the commission. When the collection of loans on which the commission has met its guarantee obligation requires legal action outside the state of Indiana, the commission, upon the recommendation of the attorney general, may employ private, out of state counsel and expend its own funds to pay for this service.

#### **Chapter 5. Secondary Market for Guaranteed Student Loans**

[20-12-21.2-2(a)] ~~Sec. 2.~~ ~~(a)~~ **1.** The governor may request, on behalf of the state, the establishment of a private ~~not for profit~~ **nonprofit** corporation, with a bipartisan board of directors, to serve as a secondary market for education loans. If ~~such~~ a private ~~not for profit~~ **nonprofit** corporation is established, the governor may ~~then~~ designate the corporation to:

(1) serve as the secondary market for education loans; and ~~to~~

(2) act as an eligible lender under a federal program.

The corporation must satisfy the conditions imposed by ~~section 3~~ **sections 3 through 10** of this chapter, and its articles of incorporation must provide that upon the corporation's liquidation, any surplus funds ~~shall~~ **must** be paid to the state.

[20-12-21.2-2(b)] ~~(b)~~ **Sec. 2.** ~~Prior to the~~ **Before** designation by the governor ~~under section 1 of this chapter,~~ the corporation shall conduct a public hearing ~~for the purpose of giving~~ **to give** all interested parties an opportunity to review and comment upon the bylaws and method of operation of the corporation. Notice of this hearing ~~shall~~ **must** be given at least fourteen (14) days ~~prior to~~ **before** the hearing in the manner set out in IC 5-14-1.5-5(b).

[20-12-21.2-3(a); 20-12-21.2-3(b)] **Sec. 3.** (a) The corporation must,



under its articles of incorporation, limit its powers to those described in subsection (b).

(b) The corporation may:

(1) borrow money;

(2) purchase, sell, and retire education loans, if the loans are not in default status;

(3) provide incentive services and payments, ~~such as~~ **including** the payment of premiums for the purchase of education loans and the payment of an origination fee, to assist lending institutions that provide education loans;

(4) loan funds to lending institutions if:

(A) the lending institution agrees to use the funds to originate education loans of an amount equal to the loan made by the corporation over a period agreeable to the corporation and to grant the corporation the right of first refusal to purchase those education loans;

(B) the lending institution agrees to use education loans or government securities as collateral for the loan; and

(C) the corporation has, in response to its written request, received written authorization from the governor to exercise the power described in this subdivision;

(5) establish after consultation with the associations representing the private lenders of ~~the state~~ **Indiana** and, at the direction of the governor, a direct lending program under which the corporation may make education loans:

(A) to eligible borrowers under a federal program; **and**

(B) if the corporation determines that the borrowers cannot reasonably obtain an education loan from a lending institution in Indiana;

(6) make direct loans to or for the benefit of an education loan borrower ~~for the purpose of consolidating to consolidate~~ all or a ~~portion~~ **part** of the borrower's outstanding education loans into one (1) loan;

(7) operate a secondary market for postsecondary education finance instruments, including tuition certificates and education savings certificates sold by or offered through lending institutions or educational institutions; and

(8) do all other things that are necessary or incidental to performing the functions listed in subdivisions (1) through (7).

[20-12-21.2-3(c)] ~~(c)~~ **Sec. 4.** The corporation shall submit an annual report to the governor, which must include detailed information on the structure, operation, and financial status of the corporation. The corporation shall conduct an annual public hearing to receive comment from interested parties regarding the report. Notice of the hearing ~~shall~~ **must** be given at least fourteen (14) days ~~prior to~~ **before** the hearing in accordance with IC 5-14-1.5-5(b).



1 [20-12-21.2-3(d)] ~~(d)~~ **Sec. 5.** The corporation shall provide in its  
 2 articles of incorporation that changes in the composition of its directors  
 3 or in its bylaws are subject to the approval of the governor.

4 [20-12-21.2-3(e)] ~~(e)~~ **Sec. 6.** The corporation is subject to an annual  
 5 audit by the state board of accounts. The corporation shall bear the full  
 6 costs of this audit.

7 [20-12-21.2-3(f)] ~~(f)~~ **Sec. 7.** The board of directors of the  
 8 corporation may meet in executive session to discuss negotiating  
 9 strategies with respect to financing arrangements or proposals, in  
 10 addition to those items listed in IC 5-14-1.5-6.1.

11 [20-12-21.2-3(g)] ~~(g)~~ **Sec. 8.** Any or all members of the board of  
 12 directors may participate in a meeting of the board by means of a  
 13 conference telephone or similar communications equipment by which  
 14 a member can communicate with each of the other board members if  
 15 at least three (3) board members are present at the meeting.  
 16 Participation by these means does not violate IC 5-14-1.5.

17 [20-12-21.2-3(h)] ~~(h)~~ **Sec. 9.** The corporation and its transferees and  
 18 pledgees, so long as they are eligible lenders under a federal program,  
 19 are entitled to the benefits of any guaranty given by the ~~state student~~  
 20 ~~assistance~~ commission under ~~IC 20-12-21-1~~ **IC 21-16-4** or any  
 21 successor to the ~~state student assistance~~ commission with respect to  
 22 education loans owned or held by the corporation, its transferees, or its  
 23 pledgees, as long as the corporation, its transferees, or its pledgees are  
 24 eligible lenders or holders of education loans under the rules adopted  
 25 under IC 4-22-2 by the ~~state student assistance~~ commission or a  
 26 successor to the ~~state student assistance~~ commission.

27 [20-12-21.2-3(i)] ~~(i)~~ **Sec. 10.** Notwithstanding any other law, the  
 28 commission may not make grants for any purpose without approval by  
 29 the budget agency and the governor after review by the budget  
 30 committee.

31 [20-12-21.2-4] ~~Sec. 4:~~ **11.** Debts incurred by the corporation under  
 32 authority of this chapter do not represent or constitute a debt of the  
 33 state of Indiana within the meaning of the provisions of the **statutes of**  
 34 **Indiana or the** Constitution ~~or statutes~~ of the State of Indiana.

35 [20-12-21.2-5] ~~Sec. 5:~~ **12.** The principal of and the interest on bonds  
 36 and notes issued by the corporation under this chapter are exempt from  
 37 taxation of every kind by the state and by the municipalities and other  
 38 political subdivisions of the state, except taxes imposed under IC 6-4.1.

39 [20-12-21.2-6] ~~Sec. 6:~~ **13.** All:

- 40 (1) banks;
- 41 (2) bankers;
- 42 (3) trust companies;
- 43 (4) savings banks and institutions;
- 44 (5) building and loan associations;
- 45 (6) saving and loan associations;
- 46 (7) investment companies;



1 (8) insurance companies and associations; and ~~all~~

2 (9) executors, administrators, guardians, trustees, and other  
3 fiduciaries;

4 may legally invest any sinking funds, money, or other funds ~~which that~~  
5 belong to them or are within their control in any bonds or notes issued  
6 under this chapter.

7 [20-12-21.2-7] Sec. ~~7~~ **14**. The designation by the governor under  
8 section ~~2~~ **1** of this chapter ~~shall remain~~ **remains** in effect until the  
9 general assembly provides by law for termination of the designation.

10 [20-12-21.2-8] Sec. ~~8~~ **15**. Except for ~~acts an act~~ of fraud or  
11 intentional misconduct, an officer or director of the corporation is not  
12 individually liable for ~~any acts or omissions~~ **an act or omission**  
13 regarding the exercise or performance of that person's duty to the  
14 corporation.

15 [20-12-21.2-9] Sec. ~~9~~ **16**. Notwithstanding IC 26-1-9.1-310(a), a  
16 security interest in education loans is perfected by:

17 (1) possession under IC 26-1-9.1-313; or

18 (2) filing a financing statement in the office of the secretary of  
19 state under IC 26-1-9.1-501.

20 [20-12-21.2-10] Sec. ~~10~~ **17**. (a) The secondary market sale fund is  
21 established ~~for the purpose of providing to provide~~ money for school  
22 assessment testing and remediation, including reading recovery  
23 programs. The fund shall be administered by the budget agency.

24 (b) **The** expenses of administering the fund shall be paid from  
25 money in the fund. The fund consists of proceeds from the sale of  
26 assets of the Indiana Secondary Market for Education Loans,  
27 Incorporated.

28 (c) The treasurer of state shall invest the money in the fund not  
29 currently needed to meet the obligations of the fund in the same  
30 manner as other public funds may be invested. Interest earned from  
31 these investments shall be credited to the fund.

32 (d) Money in the fund at the end of a state fiscal year does not revert  
33 to the state general fund.

34 SECTION 28. IC 21-17 IS ADDED TO THE INDIANA CODE AS  
35 A **NEW** ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1,  
36 2007]:

## 37 **ARTICLE 17. PRIVATE EDUCATIONAL INSTITUTIONS**

### 38 **Chapter 1. General Provisions; Definitions**

39 [New] Sec. **1**. **The definitions in this chapter apply throughout**  
40 **this article.**

41 [20-12-76-1] Sec. ~~1~~ **2**. ~~As used in this chapter,~~ "Accreditation"  
42 means certification of a status of approval or authorization by the  
43 commission to conduct business as a postsecondary proprietary  
44 educational institution.

45 [20-12-76-2] Sec. ~~2~~ **3**. ~~As used in this chapter,~~ "Agent" means a  
46 person who:



(1) enrolls or seeks to enroll a resident of Indiana through:

- (A) personal contact;
- (B) telephone;
- (C) advertisement;
- (D) letter; or
- (E) publications;

in a course offered by a postsecondary proprietary educational institution; or

(2) otherwise holds the person out to the residents of Indiana as representing a postsecondary proprietary educational institution.

[20-12-76-3] Sec. 3: ~~4. As used in this chapter, "Agent's permit"~~ means a nontransferable written authorization issued to a person by the commission to solicit a resident of Indiana to enroll in a course offered or maintained by a postsecondary proprietary educational institution.

[20-12-76-4] Sec. 4: ~~5. As used in this chapter, "Application"~~ means a written request for accreditation or an agent's permit on forms supplied by the commission.

[20-12-76-5] Sec. 5: ~~6. As used in this chapter, "Commission"~~ means the ~~Indiana~~ commission on proprietary education.

[20-12-76-6] Sec. 6: ~~7. As used in this chapter, "Course"~~ means a plan or program of instruction or training, whether conducted in person, by mail, or by any other method.

[20-12-3.5-1 (part)] Sec. 8. **"Educational institution", for purposes of IC 21-17-5, refers to any other a college, university, or junior college that:**

(1) is accredited by the North Central Association; **and**

**(2) is not a state educational institution.**

[20-12-15-1(a)] ~~(a)~~ Sec. 9. "Educational institution of higher learning" ~~shall mean~~ **means** an educational institution (no part of the net earnings of which ~~shall~~ inure to the benefit of any private shareholder or individual) ~~which that:~~

(1) provides:

(A) an educational program for which it awards a baccalaureate or more advanced degree; or

~~(B) provides for not less than at least~~ a two (2) year program ~~which that~~ is acceptable for full credit towards ~~such~~ a **baccalaureate or more advanced degree; and**

**(2)** is accredited by a national accrediting agency or association or, if not so accredited, an educational institution whose credits are accepted, on transfer, by ~~not less than at least~~ three (3) ~~such~~ accredited educational institutions for credit on the same basis as if transferred from an educational institution ~~so that is~~ accredited.

[20-12-76-7] Sec. 7: ~~10. As used in this chapter, "Fund"~~ refers to the career college student assurance fund established by ~~section 20 of this chapter.~~ **IC 21-17-3-8**

[20-12-15-1(c)] ~~(e)~~ Sec. 11. "Municipality" ~~shall mean~~ **means** any



a city or town ~~which, that, pursuant to~~ **under the authority in** IC 36-7  
 is ~~authorized and~~ through its redevelopment commission, ~~to may~~  
 undertake and carry out redevelopment or urban renewal projects.

[20-12-76-8] Sec. ~~8~~ **12**. ~~As used in this chapter,~~ "Person" means an  
 individual, a partnership, a limited liability company, an association,  
 a corporation, a joint venture, a trust, a receiver, or a trustee in  
 bankruptcy.

[New] Sec. 13. "Police officer" refers to a police officer who:

(1) is appointed under IC 21-17-5; and

(2) is not employed by a state educational institution.

[20-12-15-1(b)] ~~(b)~~ Sec. 14. "Private redevelopment corporation"  
 shall mean any means:

(1) a corporation ~~which that~~ is wholly owned or controlled by one  
 (1) or more educational institutions of higher learning; or

(2) a corporation ~~which that~~ operates ~~in~~ on behalf of an  
 educational institution of higher learning on a ~~non-profit~~  
**nonprofit** basis.

[20-12-76-9] Sec. ~~9~~ **15**. ~~As used in this chapter,~~ "Postsecondary  
 proprietary educational institution" means a person doing business in  
 Indiana by offering to the public for a tuition, fee, or charge,  
 instructional or educational services or training in ~~any a~~ technical,  
 professional, mechanical, business, or industrial occupation, either in  
 the recipient's home, at a designated location, or by mail. The term does  
 not include the following:

(1) ~~An educational institution established by law and financed in  
 whole or part by public funds. A state educational institution.~~

(2) A postsecondary proprietary educational institution approved  
 or regulated by any other state regulatory board, agency, or  
 commission **other than the Indiana commission on proprietary  
 education.**

(3) An elementary or secondary school attended by students in  
 kindergarten or grades 1 through 12, supported in whole or in part  
 by private tuition payments. ~~These elementary and secondary  
 schools are expressly excluded from this chapter.~~

(4) Any educational institution or educational training that:

(A) is maintained or given by an employer or a group of  
 employers, without charge, for employees or for individuals  
 the employer anticipates employing;

(B) is maintained or given by a labor organization, without  
 charge, for its members or apprentices;

(C) offers exclusively instruction that is clearly  
 self-improvement, motivational, or avocational in intent  
 (including ~~but not limited to~~, instruction in dance, music,  
 self-defense, and private tutoring); or

(D) is a Montessori or nursery school.

(5) A privately endowed two (2) or four (4) year degree granting





institution, regionally accredited, whose principal campus is located in Indiana.

[20-12-62-3] Sec. ~~3~~ **16.** "Private technical, vocational, correspondence, and trade school" means an institution or agency offering course or courses of instruction for a fee or fees and ~~which~~ **that** is not primarily supported by public tax funds. ~~It shall~~

**The term does not include the following:**

(1) ~~Any~~ **A** college or university offering a course of ~~studies~~ **study** leading to a bachelor's degree. ~~nor~~

(2) ~~A~~ nonpublic preschool, elementary, ~~and or~~ secondary ~~schools~~ **school that is** approved by the ~~state~~ department of education.

[20-12-15-1(d)] ~~(d)~~ Sec. **17.** "Project area" ~~shall mean~~ **means:**

(1) a slum area; or

(2) an area needing redevelopment (as defined in ~~IC 36-7~~ **IC 36-7-1-3**).

[New] Sec. **18.** "Qualified entity" means either of the following:

(1) ~~An~~ educational institution of higher learning.

(2) **A private redevelopment corporation.**

[20-12-15-1(e)(part)] ~~(e)~~ Sec. **19.** "Redevelopment plan" ~~shall mean~~ **means** a plan proposed by ~~an educational institution of higher learning, or a private redevelopment corporation, a qualified entity~~ for the redevelopment and renewal of a project area for educational uses. ~~Such~~

## **Chapter 2. Indiana Commission on Proprietary Education**

[20-12-76-11] Sec. ~~11~~ **1.** The Indiana commission on proprietary education is established.

[20-12-76-12] Sec. ~~12~~ **2.** (a) The commission consists of the following seven (7) members:

(1) The state superintendent or the superintendent's designee.

(2) The executive officer of the commission for higher education or the executive officer's designee.

(3) Five (5) members appointed by the governor.

(b) The members appointed by the governor under subsection (a) serve for a term of four (4) years.

(c) Not more than three (3) of the members appointed by the governor may be members of one (1) political party.

(d) Of the five (5) members appointed by the governor:

(1) one (1) must have been engaged for a period of ~~not less than~~ **at least** five (5) years immediately preceding appointment in an executive or a managerial position in a postsecondary proprietary educational institution subject to ~~this chapter, IC 21-17-3;~~

(2) one (1) must have been engaged in administering or managing an industrial employee training program for a period of ~~not less than~~ **at least** five (5) years immediately preceding appointment; and

(3) three (3) ~~shall must~~ be representatives of the public at large who are not representatives of the types of postsecondary



1           proprietary educational institutions to be accredited.  
 2       For purposes of subdivision (3), an elected or appointed state or local  
 3       official or a member of a private or public school may not be appointed  
 4       as a representative of the public at large.

5       (e) An appointment to fill a vacancy occurring on the commission  
 6       is for the unexpired term.

7       [20-12-76-13 (part)] ~~(c)~~ **Sec. 3. (a) Each** A member of the  
 8       commission who is not a state employee is entitled to the minimum  
 9       salary per diem provided by IC 4-10-11-2.1(b). The member is also  
 10      entitled to reimbursement for traveling expenses as provided under  
 11      IC 4-13-1-4 and other expenses actually incurred in connection with  
 12      the member's duties as provided in the state policies and procedures  
 13      established by the Indiana department of administration and approved  
 14      by the budget agency.

15      ~~(f)~~ **(b)** Each member of the commission who is a state employee is  
 16      entitled to reimbursement for traveling expenses as provided under  
 17      IC 4-13-1-4 and other expenses actually incurred in connection with  
 18      the member's duties as provided in the state policies and procedures  
 19      established by the Indiana department of administration and approved  
 20      by the budget agency.

21      [20-12-76-13 (part)] ~~Sec. 4.~~ **Sec. 4.** (a) The commission may select  
 22      officers from the commission's membership as the commission  
 23      considers necessary.

24      (b) The commission may employ and fix compensation for  
 25      necessary administrative staff.

26      (c) The commission may adopt reasonable rules under IC 4-22-2 to  
 27      implement this chapter **and IC 21-17-3.**

28      (d) The commission:

29          (1) may meet as often as is necessary upon call of the chairperson;  
 30          and

31          (2) shall meet at least four (4) times a year.

32      ~~(g)~~ **(e)** The commission may adopt and use a seal, the description of  
 33      which shall be filed with the office of the secretary of state, and which  
 34      may be used for the authentication of the acts of the commission.

35      **Chapter 3. Post-Secondary Proprietary Educational Institution**  
 36      **Accreditation**

37      [20-12-76-10] ~~Sec. 1.~~ **Sec. 1.** The general assembly recognizes that the  
 38      private school is an essential part of the educational system. It is the  
 39      purpose of this chapter to protect students, educational institutions, the  
 40      general public, and honest and ethical operators of private schools from  
 41      dishonest and unethical practices.

42      [20-12-76-14] ~~Sec. 2.~~ **Sec. 2.** A person may not do business as a  
 43      postsecondary proprietary educational institution in Indiana without  
 44      having obtained accreditation.

45      [20-12-76-15] ~~Sec. 3.~~ **Sec. 3.** Applications for accreditation ~~shall~~ **must**  
 46      be filed with the commission and accompanied by an application fee



of at least one hundred dollars (\$100) for processing the application and evaluating the postsecondary proprietary educational institution.

[20-12-76-16] Sec. ~~16~~ **4**. The application must include at least the following information:

- (1) The name and address of the postsecondary proprietary educational institution and the institution's officers.
- (2) The places where the courses are to be provided.
- (3) The types of courses to be offered, the form of instruction to be followed with the class, shop, or laboratory, and the hours required for each curriculum.
- (4) The form of certificate, diploma, or degree to be awarded.
- (5) A statement of the postsecondary proprietary educational institution's finances.
- (6) A description of the postsecondary proprietary educational institution's physical facilities, including classrooms, laboratories, library, machinery and equipment, toilets, showers, and lavatories.
- (7) An explicit statement of policy with reference to:
  - (A) solicitation of students;
  - (B) payment and amount of student fees; and
  - (C) conditions under which students are entitled to a refund in part or in full of fees paid, including a statement concerning the existence of the fund.
- (8) Provisions for liability insurance of students.
- (9) Maximum student-teacher ratio to be maintained.
- (10) Minimum requirements for instructional staff.

[20-12-76-17] Sec. ~~17~~ **5**. (a) This section is subject to section ~~18~~ **6** of this chapter.

(b) ~~Each~~ **An** application must include a surety bond in a penal sum determined under section ~~18(a)~~ **6** of this chapter. The bond ~~shall~~ **must** be executed by the applicant as principal and by a surety company qualified and authorized to do business in Indiana as surety or cash bond.

(c) The surety bond must be conditioned to provide indemnification to any student or enrollee who suffers a loss or damage as a result of:

- (1) the failure or neglect of the postsecondary proprietary educational institution to faithfully perform all agreements, express or otherwise, with the student, enrollee, one (1) or both of the parents of the student or enrollee, or a guardian of the student or enrollee as represented by the application for the institution's accreditation and the materials submitted in support of that application;
- (2) the failure or neglect of the postsecondary proprietary educational institution to maintain and operate a course or courses of instruction or study in compliance with the standards of this chapter; or
- (3) an agent's misrepresentation in procuring the student's



1 enrollment.

2 (d) A surety on a bond may be released after the surety has made a  
3 written notice of the release directed to the commission at least thirty  
4 (30) days before the release. However, a surety may not be released  
5 from the bond unless all sureties on the bond are released.

6 (e) ~~The A~~ surety bond covers the period of the accreditation.

7 (f) An accreditation shall be suspended if a postsecondary  
8 proprietary educational institution is no longer covered by a surety  
9 bond or if the postsecondary proprietary educational institution fails to  
10 comply with section ~~18 6~~ of this chapter. The commission shall notify  
11 the postsecondary proprietary educational institution in writing at least  
12 ten (10) days before the release of the surety or sureties that the  
13 accreditation is suspended until another surety bond is filed in the  
14 manner and amount required under this chapter.

15 [20-12-76-18] Sec. ~~18 6~~. (a) Subject to subsections (b), (d), and (e),  
16 the commission shall determine the penal sum of each surety bond  
17 based upon the following guidelines:

18 (1) A postsecondary proprietary educational institution that has no  
19 annual gross tuition charges assessed for the previous year shall  
20 secure a surety bond in the amount of twenty-five thousand  
21 dollars (\$25,000).

22 (2) If at any time the postsecondary proprietary educational  
23 institution's projected annual gross tuition charges are more than  
24 two hundred fifty thousand dollars (\$250,000), the institution  
25 shall secure a surety bond in the amount of fifty thousand dollars  
26 (\$50,000).

27 (b) After June 30, 2006, and except as provided in:

28 (1) section ~~21 9~~ of this chapter; and

29 (2) subsection (e);

30 and upon the fund achieving at least an initial one million dollar  
31 (\$1,000,000) balance, ~~each a~~ postsecondary proprietary educational  
32 institution that contributes to the fund when the initial quarterly  
33 contribution ~~as~~ is required under this chapter after the fund's  
34 establishment is not required to make contributions to the fund or  
35 submit a surety bond.

36 (c) The commission shall determine the number of quarterly  
37 contributions required for the fund to initially accumulate one million  
38 dollars (\$1,000,000).

39 (d) Except as provided in section ~~21 9~~ of this chapter and subsection  
40 (e), a postsecondary proprietary educational ~~institutions~~ institution that  
41 ~~begin begins~~ making contributions to the fund after the initial quarterly  
42 contribution as required under this chapter ~~are~~ is required to make  
43 contributions to the fund for the same number of quarters as  
44 determined by the commission under subsection (c).

45 (e) If, after ~~the a~~ fund acquires one million dollars (\$1,000,000) the  
46 balance in the fund becomes less than five hundred thousand dollars



1 (\$500,000), all postsecondary proprietary educational institutions not  
 2 required to make contributions to the fund as described in subsection  
 3 (b) or (d) shall make contributions to the fund for the number of  
 4 quarters necessary for the fund to accumulate one million dollars  
 5 (\$1,000,000).

6 [20-12-76-19] Sec. ~~19~~ 7. The commission shall require each  
 7 postsecondary proprietary educational institution to include in each  
 8 curriculum catalog and promotional brochure the following:

9 (1) A statement indicating that the postsecondary proprietary  
 10 educational institution is regulated by the commission under this  
 11 chapter.

12 (2) The commission's mailing address and telephone number.

13 [20-12-76-20] Sec. ~~20~~ 8. (a) The career college student assurance  
 14 fund is established to provide indemnification to a student or an  
 15 enrollee of a postsecondary proprietary educational institution who  
 16 suffers loss or damage as a result of ~~any of the occurrences an~~  
 17 **occurrence** described in section ~~17(c)~~ 5(c) of this chapter if the  
 18 ~~occurrences~~ **occurrence** transpired after June 30, 1992, and as  
 19 provided in section ~~37~~ 25 of this chapter.

20 (b) The commission shall administer the fund.

21 (c) The expenses of administering the fund shall be paid from  
 22 money in the fund.

23 (d) The treasurer of state shall invest the money in the fund not  
 24 currently needed to meet the obligations of the fund in the same  
 25 manner as other public funds may be invested.

26 (e) Money in the fund at the end of a state fiscal year does not revert  
 27 to the state general fund.

28 (f) Upon the fund acquiring fifty thousand dollars (\$50,000), the  
 29 balance in the fund ~~may~~ **must** not become less than fifty thousand  
 30 dollars (\$50,000). If:

31 (1) a claim against the fund is filed that would, if paid in full,  
 32 require the balance of the fund to become less than fifty thousand  
 33 dollars (\$50,000); and

34 (2) the commission determines that the student is eligible for a  
 35 reimbursement under the fund;

36 the commission shall prorate the amount of the reimbursement to  
 37 ensure that the balance of the fund does not become less than fifty  
 38 thousand dollars (\$50,000), and the student is entitled to receive that  
 39 balance of the student's claim from the fund as money becomes  
 40 available in the fund from contributions to the fund required under this  
 41 chapter.

42 (g) The commission shall ensure that all outstanding claim amounts  
 43 described in subsection (f) are paid as money in the fund becomes  
 44 available in the chronological order of the outstanding claims.

45 (h) A claim against the fund may not be construed to be a debt of the  
 46 state.



1 [20-12-76-21] Sec. ~~21~~ **9.** (a) Subject to section ~~18~~ **6** of this chapter,  
 2 each postsecondary proprietary educational institution shall make  
 3 quarterly contributions to the fund. The quarters begin January 1, April  
 4 1, July 1, and October 1.

5 (b) For each quarter, each postsecondary proprietary educational  
 6 institution shall make a contribution equal to the STEP THREE amount  
 7 derived under the following formula:

8 STEP ONE: Determine the total amount of tuition and fees earned  
 9 during the quarter.

10 STEP TWO: Multiply the STEP ONE amount by one-tenth of one  
 11 percent (0.1%).

12 STEP THREE: Add the STEP TWO amount and sixty dollars  
 13 (\$60).

14 (c) Notwithstanding section ~~18~~ **6** of this chapter, for a postsecondary  
 15 proprietary educational institution beginning operation after September  
 16 30, 2004, the commission, in addition to requiring contributions to the  
 17 fund, shall require the postsecondary proprietary educational institution  
 18 to submit a surety bond in an amount determined by the commission  
 19 for a period that represents the number of quarters required for the fund  
 20 to initially accumulate one million dollars (\$1,000,000) as determined  
 21 under section ~~18(d)~~ **6(d)** of this chapter.

22 [20-12-76-22] Sec. ~~22~~ **10.** (a) Upon receipt of an application, the  
 23 commission shall make an investigation to determine the accuracy of  
 24 the statements in the application to determine if the postsecondary  
 25 proprietary educational institution meets the minimum standards for  
 26 accreditation.

27 (b) During the investigation under subsection (a), the commission  
 28 may grant a temporary status of accreditation. The temporary status of  
 29 accreditation is sufficient to meet the requirements of this chapter until  
 30 a determination on accreditation is made.

31 [20-12-76-23] Sec. ~~23~~ **11.** The cost of performing a team onsite  
 32 investigation shall be paid by the applicant postsecondary proprietary  
 33 educational institution. However, the total cost of an inspection,  
 34 including room, board, and mileage that does not require travel outside  
 35 Indiana, may not exceed one thousand dollars (\$1,000) for any one (1)  
 36 postsecondary proprietary educational institution.

37 [20-12-76-24] Sec. ~~24~~ **12.** (a) A postsecondary proprietary  
 38 educational institution shall maintain at least the following records for  
 39 each student:

- 40 (1) The program in which the student enrolls.
- 41 (2) The length of the program.
- 42 (3) The date of the student's initial enrollment in the program.
- 43 (4) The student's period of attendance.
- 44 (5) The amount of the student's tuition and fees.
- 45 (6) A copy of the enrollment agreement.

46 (b) Upon the request of the commission, a postsecondary proprietary



educational institution shall submit the records described in subsection (a) to the commission.

(c) If the postsecondary proprietary educational institution ceases operation, the postsecondary proprietary educational institution shall submit the records described in subsection (a) to the commission not later than thirty (30) days after the institution ceases to operate.

[20-12-76-25] Sec. ~~25~~ **13**. Full accreditation may not be issued unless and until the commission finds that the postsecondary proprietary educational institution meets minimum standards that are appropriate to that type or class of postsecondary proprietary educational institution, including the following minimum standards:

(1) The postsecondary proprietary educational institution has a sound financial structure with sufficient resources for continued support.

(2) The postsecondary proprietary educational institution has satisfactory training or educational facilities with sufficient tools, supplies, or equipment and the necessary number of work stations or classrooms to adequately train, instruct, or educate the number of students enrolled or proposed to be enrolled.

(3) The postsecondary proprietary educational institution has an adequate number of qualified instructors or teachers, sufficiently trained by experience or education, to give the instruction, education, or training contemplated.

(4) The advertising and representations made on behalf of the postsecondary proprietary educational institution to prospective students are truthful and free from misrepresentation or fraud.

(5) The charge made for the training, instruction, or education is clearly stated and based upon the services rendered.

(6) The premises and conditions under which the students work and study are sanitary, healthful, and safe according to modern standards.

(7) The postsecondary proprietary educational institution has and follows a refund policy approved by the commission.

(8) The owner or chief administrator of the postsecondary proprietary educational institution has not been convicted of a felony.

(9) The owner or chief administrator of the postsecondary proprietary educational institution has not been the owner or chief administrator of a postsecondary proprietary institution that has had its accreditation revoked or has been closed involuntarily in the five (5) year period preceding the application for accreditation. However, if the owner or chief administrator of the postsecondary proprietary educational institution has been the owner or chief administrator of a postsecondary proprietary educational institution that has had its accreditation revoked or has been closed involuntarily more than five (5) years before the



1 application for accreditation, the commission may issue full  
2 accreditation at the commission's discretion.

3 [20-12-76-26] Sec. ~~26~~ **14.** (a) After investigation and a finding that  
4 the information in the application is true and the postsecondary  
5 proprietary educational institution meets the minimum standards, the  
6 commission shall issue an accreditation to the postsecondary  
7 proprietary educational institution upon payment of an additional fee  
8 of ~~not less than~~ **at least** twenty-five dollars (\$25).

9 (b) The commission may waive inspection of a postsecondary  
10 proprietary educational institution that has been accredited by an  
11 accrediting unit whose standards are approved by the commission as  
12 meeting or exceeding the requirements of this chapter.

13 (c) A valid license, approval to operate, or other form of  
14 accreditation issued to a postsecondary proprietary educational  
15 institution by another state may be accepted, instead of inspection, if:

16 (1) the requirements of that state meet or exceed the requirements  
17 of this chapter; and

18 (2) the other state will, in turn, extend reciprocity to  
19 postsecondary proprietary educational institutions accredited by  
20 the commission.

21 (d) An accreditation issued under this section expires one (1) year  
22 following the accreditation's issuance.

23 (e) An accredited postsecondary proprietary educational institution  
24 may renew the institution's accreditation annually upon:

25 (1) the payment of a fee of ~~not less than~~ **at least** twenty-five  
26 dollars (\$25); and

27 (2) continued compliance with this chapter.

28 [20-12-76-27] Sec. ~~27~~ **15.** Accreditation may be revoked by the  
29 commission:

30 (1) for cause upon notice and an opportunity for a commission  
31 hearing; and

32 (2) for the accredited postsecondary proprietary educational  
33 institution failing to make the appropriate quarterly contributions  
34 to the fund not later than forty-five (45) days after the end of a  
35 quarter.

36 [20-12-76-28] Sec. ~~28~~ **16.** (a) A postsecondary proprietary  
37 educational institution, after notification that the institution's  
38 accreditation has been refused, revoked, or suspended, may apply for  
39 a hearing before the commission concerning the institution's  
40 qualifications. The application for a hearing must be filed in writing  
41 with the commission not more than thirty (30) days after receipt of  
42 notice of the denial, revocation, or suspension.

43 (b) The commission shall give a hearing promptly and with not less  
44 than ten (10) days notice of the date, time, and place. The  
45 postsecondary proprietary educational institution is entitled to be  
46 represented by counsel and to offer oral and documentary evidence





relevant to the issue.

(c) **Not more than fifteen (15) days after a hearing**, the commission shall ~~not more than fifteen (15) days after a hearing~~ make written findings of fact, a written decision, and a written order based solely on the evidence submitted at the hearing, either granting or denying accreditation to the postsecondary proprietary educational institution.

[20-12-76-29] Sec. ~~29~~ **17**. A postsecondary proprietary educational institution's accreditation shall be suspended at any time if the accredited postsecondary proprietary educational institution denies enrollment to a student or makes a distinction or classification of students on the basis of race, color, or creed.

[20-12-76-30] Sec. ~~30~~ **18**. A person may not do the following:

(1) Make, or cause to be made, a statement or representation, oral, written, or visual, in connection with the offering or publicizing of a course, if the person knows or should reasonably know the statement or representation is false, deceptive, substantially inaccurate, or misleading.

(2) Promise or guarantee employment to a student or prospective student using information, training, or skill purported to be provided or otherwise enhanced by a course, unless the person offers the student or prospective student a bona fide contract of employment agreeing to employ the student or prospective student for a period of ~~not less than~~ **at least** ninety (90) days in a business or other enterprise regularly conducted by the person in which that information, training, or skill is a normal condition of employment.

(3) Do an act that constitutes part of the conduct of administration of a course if the person knows, or should reasonably know, that the course is being carried on by the use of fraud, deception, or other misrepresentation.

[20-12-76-31] Sec. ~~31~~ **19**. (a) A person representing a postsecondary proprietary educational institution doing business in Indiana by offering courses may not sell a course or solicit students for the institution unless the person first secures an agent's permit from the commission. If the agent represents more than one (1) postsecondary proprietary educational institution, a separate agent's permit must be obtained for each institution that the agent represents.

(b) Upon approval of an agent's permit, the commission shall issue a pocket card to the person that includes:

(1) the person's name and address;

(2) the name and address of the postsecondary proprietary educational institution that the person represents; and

(3) a statement certifying that the person whose name appears on the card is an authorized agent of the postsecondary proprietary educational institution.



(c) The application must be accompanied by a fee of ~~not less than~~ **at least** ten dollars (\$10).

(d) An agent's permit is valid for one (1) year from the date of its issue. An application for renewal must be accompanied by a fee of ~~not less than~~ **at least** ten dollars (\$10).

(e) A postsecondary proprietary educational institution is liable for the actions of the institution's agents.

[20-12-76-32] Sec. ~~32~~ **20**. (a) An application for an agent's permit must be granted or denied by the commission not more than fifteen (15) working days after the receipt of the application. If the commission has not completed a determination with respect to the issuance of a permit under this section within the fifteen (15) working day period, the commission shall issue a temporary permit to the applicant. The temporary permit is sufficient to meet the requirements of this chapter until a determination is made on the application.

(b) A permit issued under this chapter may upon ten (10) days notice and after a hearing be revoked by the commission:

(1) if the holder of the permit solicits or enrolls students through fraud, deception, or misrepresentation; or

(2) upon a finding that the permit holder is not of good moral character.

[20-12-76-33] Sec. ~~33~~ **21**. The fact that a bond is in force or that the fund exists does not limit or impair a right of recovery and the amount of damages or other relief to which a plaintiff may be entitled.

[20-12-76-34] Sec. ~~34~~ **22**. An obligation, negotiable or nonnegotiable, providing for payment for a course or courses of instruction is void if the postsecondary proprietary educational institution is not accredited to operate in Indiana.

[20-12-76-35] Sec. ~~35~~ **23**. The issuance of an agent's permit or any accreditation may not be considered to constitute approval of a course, a person, or an institution. A representation to the contrary is a misrepresentation.

[20-12-76-36] Sec. ~~36~~ **24**. (a) This section applies to claims against the surety bond of a postsecondary proprietary educational institution.

(b) A student who believes that the student is suffering loss or damage resulting from any of the occurrences described in section ~~17(c)~~ **5(c)** of this chapter may request the commission to file a claim against the surety of the postsecondary proprietary educational institution or agent.

(c) The request must state the grounds for the claim and must include material substantiating the claim.

(d) The commission shall investigate all claims submitted to the commission and attempt to resolve the claims informally. If **the commission determines that** a claim is ~~determined to be~~ valid, **by the commission** and an informal resolution cannot be made, the commission shall submit a formal claim to the surety.



(e) A claim against the surety bond may not be filed by the commission unless the student's request under subsection (b) is commenced not more than five (5) years after the date on which the loss or damage occurred.

(f) If the amount of the surety bond is insufficient to cover all or part of the claim, a claim or the balance of the claim against the surety bond in the amount that is insufficient ~~shall~~ **must** be construed to be a claim against the balance of the fund under section ~~37~~ **25** of this chapter.

[20-12-76-37] Sec. ~~37~~ **25**. (a) This section applies:

(1) to claims against the balance of the fund; and

(2) in cases where a student or an enrollee of a postsecondary proprietary educational institution is protected by both a surety bond and the balance of the fund, only after a claim against the surety bond exceeds the amount of the surety bond.

(b) A student or an enrollee of a postsecondary proprietary educational institution who believes that the student or enrollee has suffered loss or damage resulting from any of the occurrences described in section ~~17(c)~~ **5(c)** of this chapter may request the commission to file a claim with the commission against the balance of the fund. If there is a surety bond in an amount sufficient to cover a claim or part of a claim under this section, a claim against the balance of the fund ~~shall~~ **must** be construed to be a claim against the surety bond first to the extent that the amount of the surety bond exists and the balance of the claim may be filed against the balance of the fund.

(c) A claim under this section is limited to a refund of the claimant's applicable tuition and fees.

(d) All claims must be filed not later than five (5) years after the occurrence resulting in the loss or damage to the claimant occurs.

(e) Upon the filing of a claim under this section, the commission shall review the records submitted by the appropriate postsecondary proprietary educational institution described under section ~~24~~ **12** of this chapter and shall investigate the claim and attempt to resolve the claim as described in section ~~36(d)~~ **24(d)** of this chapter.

(f) Upon a determination by the commission that a claimant shall be reimbursed under the fund, the commission shall prioritize the reimbursements under the following guidelines:

(1) A student's educational loan balances.

(2) Federal grant repayment obligations of the student.

(3) Other expenses paid directly by the student.

[20-12-76-38] Sec. ~~38~~ **26**. The prosecuting attorney of the county in which the offense occurred shall, at the request of the commission or on the prosecuting attorney's own motion, bring any appropriate action, including a mandatory and prohibitive injunction.

[20-12-76-39] Sec. ~~39~~ **27**. An action of the commission concerning the issuance, denial, or revocation of a permit or accreditation under this chapter is subject to review under IC 4-21.5.



[20-12-76-40] Sec. ~~40~~ **28.** (a) Except as provided in subsection (b), a person who knowingly, intentionally, or recklessly violates this chapter commits a Class B misdemeanor.

(b) A person who, with intent to defraud, represents the person to be an agent of a postsecondary proprietary educational institution commits a Class C felony.

[20-12-76-41] Sec. ~~41~~ **29.** All fees collected by the commission shall be deposited in the state general fund.

#### **Chapter 4. Private Technical and Trade School Registration**

[20-12-62-1] Sec. ~~1~~. This chapter shall be known and may be cited as **The Private Technical and Trade School Registration Act**.

[20-12-62-2] Sec. ~~2~~ **1.** It is the purpose of this chapter to promote and encourage pupil personnel and guidance services by centralizing information about private technical, vocational, correspondence, and trade schools in the ~~office of the state superintendent of public instruction~~ **department of education**.

[20-12-62-4(a) (part)] Sec. ~~4~~ **2.** ~~(a) Within~~ **Not later than thirty (30) days prior to before** conducting business in Indiana and ~~on or before January 30 February 1 of every each subsequent year, it shall be the duty and obligation of each a private technical, vocational, correspondence, and trade school conducting business within the state of in Indiana to shall register with the director of the office of the state superintendent of public instruction and to department of education.~~

[20-12-62-4(a) (part)] Sec. **3.** **A private technical, vocational, correspondence, and trade school shall provide the following information to the department of education when the private technical, vocational, correspondence, and trade school registers under this chapter:**

~~1~~ **(1)** Name and address of agency or institution and each of its centers of operation.

~~2~~ **(2)** Its curriculum for the preceding year, including a brief description of each course offered.

~~3~~ **(3)** Tuition charges for each course or credit hour.

~~4. Degree(s) or certificate(s)~~ **(4) A description of each degree or certificate offered and the requirements for obtaining them: the described degrees and certificates.**

~~5. (5) Sample copy of any contract between with a student and agency if used by the private technical, vocational, correspondence, and trade school.~~

[20-12-62-4(b)] ~~(b) No~~ Sec. **4.** **A private technical, vocational, correspondence, and trade school that is registered under this act shall be chapter is entitled to use said its registration under this chapter for publicity purposes in any manner.**

[20-12-62-5 (part)] Sec. **5.** The ~~office of the state superintendent~~ **department of education** shall:

**(1)** maintain a file of each private technical, vocational,



**correspondence**, and trade school registered with ~~his office~~, **the department of education**; and ~~to~~  
 (2) preserve in ~~such the~~ file any grievances, complaints, or other comments about ~~such the~~ private technical, **vocational, correspondence**, and trade ~~schools which have~~ **school that has** been received.

[20-12-62-5 (part)] **Sec. 6.** The files ~~shall~~ **must** be accessible to the public upon request.

**Chapter 5. Powers to Appoint Police Officers; Retirement; Traffic Regulations; Assistance from Law Enforcement Officers**

[New] **Sec. 1.** This chapter applies to an educational institution that is not a state educational institution.

[20-12-3.5-1 (part)] ~~Sec. 1.~~ **2.** The Ball State University board of trustees, Indiana State University board of trustees, the trustees of Indiana University, the trustees of Purdue University, University of Southern Indiana board of trustees, the board of trustees of Vincennes University, and The governing board of any other college, university, or junior college that is accredited by the North Central Association is ~~authorized an educational institution may do the following:~~

- (1) ~~to~~ Appoint police officers for the **educational** institution for which it is responsible.
- (2) ~~to~~ Prescribe ~~their the~~ **duties of police officers of the educational institution** and direct their conduct.
- (3) ~~to~~ Prescribe distinctive uniforms for the police **officers** of the **educational** institution or campus. ~~and~~
- (4) ~~to~~ Designate and operate emergency vehicles.

[20-12-3.5-1 (part)] **Sec. 3.** Police officers appointed under this ~~section~~ **chapter** shall take an appropriate oath of office in the form and manner prescribed by the appointing governing board. ~~and shall~~ **The police officers** serve at ~~its the~~ **the pleasure of the appointing governing board.**

[20-12-3.5-2 (part)] ~~Sec. 2.~~ ~~(a)~~ **4.** Police officers appointed under this chapter have **the following powers:**

- (1) General police powers including the power to arrest, without process, all persons who ~~within their view~~ commit any offense **within the view of the officer.**
- (2) ~~They have~~ The same common law and statutory powers, privileges, and immunities as sheriffs and constables. ~~except that they~~ **However, the police officers** are empowered to serve civil process only to the extent authorized by the employing governing board. ~~however,~~
- (3) **The duty to enforce and to assist the officials of the educational institutions in the enforcement of the rules and regulations of the educational institution.**
- (4) **The duty to assist and cooperate with other law enforcement agencies and law enforcement officers.**



(b) ~~The governing board of an educational institution employing a police officer may expressly forbid the officer from exercising any powers may be expressly forbidden them by the governing board of the institution employing them. In addition to any other powers or duties, such police officers have the duty to enforce and to assist the officials of their institutions in the enforcement of the rules and regulations of the institution; and to assist and cooperate with other law enforcement agencies and officers; otherwise granted to the police officer by law.~~

[20-12-3.5-2 (part)] ~~Sec. 5. (b) Such police officers~~ (a) **Except as provided in subsection (b), a police officer appointed under this chapter** may exercise the powers granted under this ~~section~~ **chapter** only upon any real property owned or occupied by ~~their institutions the educational institution employing the police officer~~, including the streets passing through and adjacent ~~thereto~~ **to the educational institution.**

(b) Additional jurisdiction may be established by agreement with the chief of police of the municipality or sheriff of the county or the appropriate law enforcement agency where the **educational institution's** property is located, ~~dependent~~ **depending** upon the jurisdiction involved.

[20-12-3.5-2 (part)] ~~(c) Sec. 6. When an eligible~~ a police officer retires after at least twenty (20) years of service, the police officer may retain the officer's service weapon. The officer is entitled to receive, in recognition of the service to the ~~department~~ **educational institution** and the public, a badge that indicates that the officer is retired. Upon retirement, the **state police** department shall issue to the police officer an identification card that:

- (1) states the police officer's name and rank at retirement;
- (2) states the officer's retired status; and
- (3) notes the officer's authority to retain the service weapon.

A **retired** police officer described in this ~~subsection~~ **section** is entitled to a lifetime license to carry a handgun under IC 35-47-2-3(e).

[20-12-3.5-3 (part)] ~~Sec. 7. (a) This section does not limit or restrict the powers of any other governmental authority having jurisdiction over public streets, roads, alleys, or ways.~~

(b) The governing board of the **educational** institution may regulate the traffic ~~and parking~~ of:

- (1) motor vehicles;
- (2) bicycles; ~~or~~
- (3) other vehicles; **and**
- (4) **pedestrians; as well as the traffic of pedestrians**

on ~~over and across the all~~ streets, roads, paths, and grounds of real property owned, used, occupied, or controlled by ~~that the educational institution. Such regulations~~

(c) **Regulations adopted by the governing board** applicable to traffic ~~and parking~~ may include ~~but not be limited to;~~ the following



provisions:

(a) (1) Provisions governing the:

(A) registration;

(B) speed;

(C) operation;

(D) parking; and

(E) times, places, and manner of use;

of motor vehicles, bicycles, and other vehicles.

(b) (2) Provisions prescribing penalties for the violation of regulations. ~~which penalties~~ Penalties may include the:

(A) imposition of reasonable charges;

(B) ~~the removing removal~~ and impounding (at the expense of the violator) of vehicles ~~which that~~ are operated or parked in violation of regulations; and

(C) ~~the~~ denial of permission to operate vehicles on the property of the **educational** institution.

(c) (3) Provisions establishing reasonable charges and fees for the registration of vehicles and for the use of parking spaces or facilities owned or occupied by the institution.

(d) ~~This section does not limit or restrict the powers of any other governmental authority having jurisdiction over public streets, roads, alleys or ways.~~

[20-12-3.5-4 (part)] Sec. ~~4~~ **8**. The governing board of the **educational** institution may empower one (1) or more officials of the **educational** institution for ~~which it is responsible~~ to request the assistance of **peace law enforcement** officers of the:

(1) state;

(2) ~~of~~ counties; ~~and~~

(3) ~~of~~ cities; and

(4) towns;

~~when it appears necessary. so to do.~~ When any **peace law enforcement** officer is on the property of the **educational** institution by virtue of a request **under this section**, ~~he the law enforcement officer shall possess~~ **possesses** all powers conferred by this chapter upon police officers appointed by the respective governing board, in addition to the powers otherwise conferred upon the **peace law enforcement** officers by the ~~law laws~~ of the state. ~~of Indiana.~~

#### **Chapter 6. Participation in Urban Renewal**

[New] Sec. 1. **This chapter applies to an educational institution of higher learning.**

[20-12-15-7(a) (part)] Sec. ~~7~~ **2**. (a) ~~This chapter being necessary for the health and welfare of the personnel and students of educational institutions of higher learning; the protection of the property thereof; and to provide land for expansion;~~ shall be liberally construed to effectuate ~~said the~~ purposes of this chapter.

(b) ~~Nothing contained in This chapter shall may not~~ be construed



as repealing, modifying, or amending  
any of the provisions of other statutes providing for redevelopment or  
urban renewal projects by any municipality or requiring the  
expenditure of any funds by such municipality, its redevelopment  
commission, or its redevelopment district, nor as requiring:

- (1) municipalities; ~~their~~
- (2) redevelopment commissions; or
- (3) redevelopment districts;

to participate in any federal cooperation or grants. ~~on account thereof.~~

[20-12-15-2 (part)] ~~Sec. 2-~~ **3.** Any ~~educational institution of higher learning or private redevelopment corporation as herein defined;~~ shall  
~~be authorized to~~ **qualified entity may** prepare and submit to the  
redevelopment commission of a municipality a redevelopment plan for  
a project area adjacent to or in the immediate vicinity of:

(1) ~~(a)~~ the location of:

(A) the principal buildings of ~~such an educational~~ institution  
**of higher learning;** or

(B) a major branch of ~~such an educational~~ institution of  
**higher learning** where teaching or research is done or where  
students or faculty live; and

(2) ~~(b)~~ the area of a redevelopment or urban renewal project  
~~which that~~ has been or is being undertaken by the redevelopment  
commission having jurisdiction over the territory in which ~~such~~  
**the** project area is located.

[20-12-15-1(e) (part)] **Sec. 4.** A redevelopment plan ~~shall must~~  
conform to the:

- (1) ~~to the~~ general plan of the locality as a whole; and
- (2) ~~to the~~ requirements of IC 36-7 with respect to the content of  
redevelopment or urban renewal plans.

[20-12-15-2 (part)] ~~Sec. 5.~~ ~~Such~~ A redevelopment commission ~~shall~~  
~~be authorized to receiving a redevelopment plan may~~ approve ~~such~~  
~~the~~ redevelopment plan and ~~to contract with such the educational~~  
~~institution of higher learning or private redevelopment corporation~~  
~~relative to the carrying submitting qualified entity to carry out of~~  
~~such the~~ redevelopment plan. and the right of ~~such the educational~~  
~~institution of higher learning or private redevelopment corporation~~ **The**  
**redevelopment commission may assist the qualified entity** to obtain  
credit as a local grant-in-aid for the ~~aggregate total~~ amount of  
expenditures made by ~~any such the qualified entity educational~~  
~~institution of higher learning or redevelopment corporation which~~  
~~would be that is eligible for reimbursement as such~~ under Title 1 of  
the Housing Act of 1949, as amended.

[20-12-15-3] ~~Sec. 3-~~ **6.** If ~~such a~~ redevelopment plan ~~shall be~~ is  
approved by the redevelopment commission, ~~such the redevelopment~~  
commission shall proceed as provided by IC 36-7. ~~In the event such~~  
**If a** redevelopment plan ~~shall be~~ is approved by the plan commission





of ~~the a~~ municipality, ~~then~~ the redevelopment commission shall give notice and hold a public hearing as provided in IC 36-7. If, after ~~such~~ **the** public hearing, the redevelopment commission ~~shall determine~~ **determines** that the redevelopment of the project area as proposed will be of public utility and benefit, ~~then~~ the **redevelopment** commission shall authorize the ~~educational institution of higher learning or private redevelopment corporation~~ **qualified entity** to proceed with the acquisition and redevelopment of the property within the project area in accordance with the **approved redevelopment** plan. ~~approved:~~

[20-12-15-4] Sec. ~~4-7~~. ~~In carrying out any such~~ **To implement an approved** redevelopment plan, ~~educational institutions of higher learning and private redevelopment corporations shall have power to:~~ **qualified entities may:**

(1) acquire by purchase, gift, grant, condemnation, or lease any real estate, interests in real estate, or personal property within the project area or needed for the redevelopment of ~~such~~ **the** project area;

(2) ~~to~~ clear or contract for the clearance of all real estate acquired for redevelopment purposes; ~~and~~

(3) ~~to~~ repair and maintain ~~such~~ existing structures ~~deemed proper~~ to be included in the redevelopment plan; ~~and~~

(4) ~~to~~ erect new structures or make major structural improvements on existing buildings; ~~also; and~~

(5) ~~to~~ sell, lease, or grant ~~portions~~ **parts** of the land acquired for redevelopment purposes to the municipality or other governmental agency for street, boulevard, levee, sewerage, park, playground, school, and other public purposes:

(A) on ~~such~~ terms and conditions; and

(B) with or without compensation;

as may be agreed upon.

[20-12-15-5] Sec. ~~5-8~~. (a) ~~When redevelopment plans are proposed and carried out by educational institutions of higher learning and private redevelopment corporations; they shall be the redevelopment agency designated to apply for and receive credit as a local grant-in-aid for the aggregate amount of expenditures made by any such educational institution of higher learning or private redevelopment corporation which would be eligible as such~~ **For purposes of administering an approved redevelopment plan, a qualified entity is designated as a redevelopment agency to apply for and receive:**

(1) **grants** under Title 1 of the Housing Act of 1949 (42 U.S.C. 1452b et seq.), as amended; ~~also; to receive and~~

(2) all available federal grants ~~on account thereof~~ **that are available for the project area.**

(b) ~~In cases where educational institutions of higher learning or private redevelopment corporations have~~ **If a qualified entity:**

(1) acquired before March 4, 1961, from a redevelopment



commission all or a ~~portion~~ **part** of lands included within a redevelopment project **that was** undertaken before March 4, 1961, by a redevelopment commission under IC 36-7; and ~~have~~ **(2) has** redeveloped the ~~same lands described in subdivision (1)~~ for educational purposes; such educational institutions of higher learning or private redevelopment corporations shall be the designated redevelopment agency **the qualified entity is designated the redevelopment agency to receive credit for local grants-in-aid for the aggregate amount of expenditures made by such institution or corporation which would be eligible as such grants under Title 1 of the Housing Act of 1949 (42 U.S.C. 1452b et seq.), as amended, for the project area. The qualified entity is also eligible to receive all other federal grants on account thereof that are available for the project area.**

(c) ~~For the purpose of obtaining~~ **To obtain** federal cooperation and any available federal grants, ~~such educational institutions of higher learning and private redevelopment corporations shall be authorized to~~ **qualified entities may** enter into agreements with the federal government or the appropriate agency **of the federal government.** thereof, and comply with the requirements of any applicable federal statutes.

[20-12-15-6] ~~Sec. 6: 9. Any~~ **A** municipality or its ~~a~~ redevelopment commission ~~of a municipality~~ may cooperate with ~~an educational institution of higher learning or private redevelopment corporation in carrying a qualified entity to carry out such an approved redevelopment plan to the extent in which they that a qualified entity may agree. but shall~~ **A qualified entity is not be required to expend any funds or take any action in respect thereto other than as herein to the approved redevelopment plan except as provided in this chapter.**

SECTION 29. IC 21-18 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [JULY 1, 2007]:

## **ARTICLE 18. COMMISSION FOR HIGHER EDUCATION**

### **Chapter 1. General Provisions; Definitions**

**Sec. 1. The definitions in this chapter apply throughout this article.**

[New] **Sec. 2. "Advisory committee" refers to any advisory committee established by the commission.**

[20-12-0.5-1 (part)] ~~Sec. 3. As used in this chapter:~~ "Commission" refers to the commission for higher education.

"State educational institution" means any university, college, or other educational institution, existing on or after March 29, 1971, in Indiana, for the purpose of providing programs of collegiate or university education or other postsecondary education and which is supported in whole or in part by appropriations made by the general assembly.



[New] **Sec. 4. "Long range plan" refers to the long range plan for postsecondary education developed by the commission.**

[New] **Sec. 5. "Nominating committee" refers to the nominating committee established under IC 21-18-3-4.**

[20-12-0.5-1 (part)] **Sec. 6. "Statewide committee" refers to the committee on statewide transfer and articulation established by the commission under the transfer and articulation initiative, March 1, 2000.**

[20-12-0.5-1 (part)] **Sec. 7. "Vocational education" means any postsecondary vocational, agricultural, occupational, manpower, employment, or technical training or retraining of less than a baccalaureate level that:**

- (1) is offered by a state educational institution; and
- (2) enhances an individual's career potential.

[New] **Sec. 8. "Vocational education plan" refers to the plan for implementing postsecondary vocational education programming developed by the commission.**

## **Chapter 2. Creation**

[20-12-0.5-2 (part)] ~~Sec. 2. 1. Commission. There is hereby created~~  
**A commission is established as an instrumentality and an agency of the state. of Indiana. to**

[20-12-0.5-2 (part)] **Sec. 2. The commission shall be known as the "Commission for Higher Education of the State of Indiana."**

## **Chapter 3. Membership**

[20-12-0.5-5(a); 20-12-0.5-5(b)] ~~Sec. 5. 1. (a) The commission shall consist of~~ **consists of** fourteen (14) members ~~citizens of Indiana;~~  
 appointed by the governor **as follows:**

**(1) Each member must be a citizen of Indiana.**

~~(b)(2)~~ **(2)** Each congressional district ~~shall~~ **must** be represented by at least one (1) member who resides in the congressional district.

~~(3) In addition, one~~ **(1)** member must be a student. ~~and~~

~~(4) one~~ **(1)** member must be a full-time faculty member of a higher education state educational institution. ~~(as defined in IC 20-12-5.5-1) who shall be appointed by the governor under the procedures set forth in this section.~~

[20-12-0.5-5(c)] ~~(c) Sec. 2. Except for the one (1) full-time faculty member and the one (1) student member, appointed under subsection (b); no a member while serving a term may not be an employee of or serve on the governing board of any state public or private college or university in Indiana.~~

[20-12-0.5-5(d)] ~~(d) Sec. 3. The governor shall appoint the student member and the full-time faculty member of the commission from a list for each appointment that:~~

- (1) contains at least three (3) names but not more than five (5) names **for each appointment;** and
- (2) is submitted by a nominating committee. ~~established under~~



1 ~~subsection (e).~~

2 [20-12-0.5-5(e)] ~~(e)~~ **Sec. 4.** The chairman of the commission shall  
3 appoint ~~a ten (10) members of the member~~ nominating committee as  
4 follows:

5 (1) Five (5) students from state educational institutions, with not  
6 more than one (1) student from any one (1) state educational  
7 institution.

8 (2) Five (5) full-time faculty members from state educational  
9 institutions, with not more than one (1) full-time faculty member  
10 from any one (1) educational institution.

11 [20-12-0.5-5.5] ~~Sec. 5-5.5.~~ (a) Membership on the commission does  
12 not constitute holding a public office.

13 (b) A commission member is not required to take and file an oath of  
14 office before serving as a commission member.

15 (c) Except as provided in this chapter, a commission member:

16 (1) is not disqualified from holding a public office or position by  
17 reason of appointment to or membership on the commission; ~~or~~  
18 **and**

19 (2) does not forfeit an office, a position, or an employment by  
20 reason of an appointment to the commission.

21 [20-12-0.5-6] Sec. 6. (a) ~~All~~ Appointments to the commission ~~shall~~  
22 **be are** for a term of four (4) ~~year terms; years~~ except:

23 (1) the student member; ~~who has a term of two (2) years;~~ and

24 (2) the full-time faculty member;

25 ~~who has are appointed to~~ a term of two (2) years.

26 (b) The governor shall promptly make appointments to fill vacancies  
27 for the duration of unexpired terms in the same manner as the original  
28 appointments.

29 (c) The term of a member begins on July 1 of the year of  
30 appointment and continues until a successor has been appointed.

31 [20-12-0.5-7 (part)] **Sec. 7.** Members ~~of the commission~~ shall:

32 (1) receive per diem, lodging, and mileage for attendance at  
33 regular or special meetings; and ~~shall~~

34 (2) be reimbursed for necessary expenses incurred on other  
35 official duties.

#### 36 **Chapter 4. Officers**

37 [20-12-0.5-7 (part)] ~~Sec. 7. 1. Organization.~~ The commission shall  
38 elect from its membership:

39 (1) a chairman; ~~and~~

40 (2) a vice-chairman; and

41 (3) other necessary officers.

#### 42 **Chapter 5. Administration**

43 [20-12-0.5-4 (part)] ~~Sec. 4. 1.~~ The commission ~~shall be treated as is~~  
44 a public institution for the purposes of IC 5-11-1 and subject to the  
45 jurisdiction of the state board of accounts as provided in ~~that chapter.~~  
46 **IC 5-11-1.**



[20-12-0.5-4 (part)] **Sec. 2.** IC 4-13-1, IC 4-13-2, ~~and~~ IC 4-13.6, **and IC 5-22** apply to the commission ~~only~~ to the same extent ~~as~~ these provisions apply to state educational institutions.

[20-12-0.5-8.5] ~~Sec. 8-5:~~ **3.** (a) This section applies whenever a contract for the procurement of property for the commission is awarded ~~under this chapter~~ by acceptance of bids, proposals, or quotations.

(b) A bid, proposal, or quotation submitted by a trust (as defined in IC 30-4-1-1(a)) must identify each:

- (1) beneficiary of the trust; and
- (2) settlor empowered to revoke or modify the trust.

[20-12-0.5-8(9)] ~~(9)~~ **Sec. 4. To The commission may:**

- (1) designate and employ an executive officer and necessary employees; ~~to~~
- (2) designate the titles of the executive officer and necessary employees; and ~~to~~
- (3) fix the compensation in terms of the employment.

#### **Chapter 6. Purposes; General Powers; Limitations**

[20-12-0.5-3] ~~Sec. 3:~~ **1.** The general purposes of the commission are the following:

- (1) Plan ~~for~~ and coordinate Indiana's state supported system of postsecondary education.
- (2) Review appropriation requests ~~for postsecondary education of state educational institutions~~
- (3) Make recommendations to the governor, budget agency, or the general assembly concerning postsecondary education.
- (4) Perform other functions assigned by the governor or the general assembly, except those functions specifically assigned by law to the commission on vocational and technical education. ~~within the department of workforce development.~~

[20-12-0.5-8(8) (part)] ~~(8)~~ **Sec. 2. (a)** If ~~so~~ designated by the governor or the general assembly, ~~to the commission may~~ serve as the agency for the purposes of receiving or administering funds available for postsecondary education:

- (1) programs;
- (2) projects; and
- (3) facilities;

for any of the acts of the United States Congress ~~where~~ **if** the acts of Congress require the state to designate ~~such~~ an agency or commission. ~~However,~~

(b) This ~~subdivision~~ **section** does not provide for the designation of the commission by the governor as the recipient of funds ~~which may be~~ provided by acts of the United States Congress ~~received by an~~ **if the general assembly designates another** agency, a board, or a commission ~~designated by the general assembly to receive the funds.~~

[20-12-0.5-8(11)] ~~(11)~~ **Sec. 3. To** The commission may employ all powers properly incident to or connected with any of the ~~foregoing~~



purposes, powers, or duties **under this article**, including the power to adopt rules.

[20-12-0.5-11] Sec. ~~4~~ **4**. The commission ~~shall have~~ **has** no powers or authority relating to the management, operation, or financing of ~~Ball State University, Indiana University, Indiana State University, Purdue University, Vincennes University, Ivy Tech Community College of Indiana, the University of Southern Indiana, or any other a~~ state educational institution except as expressly set forth ~~in this chapter~~ **by law**. All ~~of the particulars~~, management, operations, and financing of ~~all~~ state educational institutions ~~shall~~ remain exclusively vested in the **board of trustees** or other governing boards or bodies of ~~these the~~ **the state educational** institutions.

[20-12-0.5-10] Sec. ~~5~~ **5**. ~~Restrictions: appropriations.~~ The commission ~~shall does~~ not have the authority to obligate any tax funds or other funds of the state except ~~such as shall have been appropriated for appropriations made~~ to the commission by the general assembly.

#### **Chapter 7. Advisory Committees; Committee on Statewide Transfer and Articulation**

[20-12-0.5-8(10) (part)] ~~(10)~~ **1**. ~~To appoint appropriate~~ **The commission may create** advisory committees **to assist the commission in performing the duties of the commission.**

[20-12-0.5-8(10) (part)] **2**. **An advisory committee must be** composed of:

- (1) representatives of state educational institutions;
- (2) representatives of private colleges and universities;
- (3) students;
- (4) faculty; and
- (5) other qualified persons.

[20-12-0.5-8(10)] ~~(14)~~ **3**. ~~To~~ **The commission may** direct the activities of the **statewide** committee, including the activities set forth in ~~subdivisions (15) and (16)~~ **IC 21-42-6**.

#### **Chapter 8. Long Range Planning**

[20-12-0.5-8(1) (part)] Sec. ~~8~~ **1**. The commission ~~shall have the~~ following powers and duties:

- ~~(1) To~~ **may** develop, ~~continually keep current,~~ **update**, and implement a long range plan for postsecondary education.

[20-12-0.5-8(1) (part)] **2**. In developing ~~this the long range~~ plan, the commission shall take into account:

- (1) the plans and interests of the state private institutions;
- (2) anticipated enrollments in state **public and private** postsecondary institutions;
- (3) financial needs of students; and
- (4) other factors pertinent to the quality of educational opportunity available to the citizens of Indiana.

[20-12-0.5-8(1) (part)] **3**. The **long range** plan ~~shall must~~ define the educational missions and the projected enrollments of the



various state educational institutions.

[20-12-0.5-8(3) (part)] ~~(3)~~ **Sec. 4. To The commission may:**

(1) make recommendations to the general assembly and the governor concerning the long range plan; and

(2) prepare ~~to submit drafts~~ and **offer** proposed legislation needed to implement the **long range** plan.

#### **Chapter 9. Educational Program Review**

[20-12-0.5-8(4) (part)] ~~(4)~~ **Sec. 1. To The commission may:**

(1) review the legislative request budgets of all state educational institutions preceding each session of the general assembly; and  
~~to~~

(2) make recommendations concerning appropriations and bonding authorizations to state educational institutions, including public funds for financial aid to students by any state agency.

[20-12-0.5-8(4) (part)] **Sec. 2.** The commission may:

(1) review all programs of any state educational institution, regardless of the source of funding; and ~~may~~

(2) make recommendations to the ~~governing~~ board of **trustees of the state educational** institution, the governor, and the general assembly concerning the funding and the disposition of the programs.

[20-12-0.5-8(4) (part)] **Sec. 3.** In making ~~this a~~ review **under section 1 or 2 of this chapter**, the commission may request and shall receive, in ~~such the~~ form ~~as may~~ reasonably ~~be~~ required **by the commission**, from all state educational institutions, complete information concerning all receipts and all expenditures.

[20-12-0.5-8(6) (part)] ~~(6)~~ **Sec. 4. To The commission may:**

(1) make, or cause to be made, studies of the needs for various types of postsecondary education; and ~~to~~

(2) make recommendations to the general assembly and the governor concerning the organization of these programs.

[20-12-0.5-8(7) (part)] ~~(7)~~ **Sec. 5. To The commission may** approve or disapprove the:

(1) establishment of any new branches, regional or other campuses, or extension centers; ~~or~~

(2) **establishment** of any new college or school; ~~or the~~

(3) offering on any campus of any:

(A) additional associate, baccalaureate, or graduate degree; or  
~~or any~~

(B) additional program of two (2) semesters or their equivalent in duration leading to a certificate or other indication of accomplishment.

#### **Chapter 10. Vocational Education; Additional Powers**

[20-12-0.5-8(2) (part)] ~~(2)~~ **Sec. 1. To The commission may** consult with and make recommendations to the commission on vocational and technical education ~~within the department of workforce development~~



on all postsecondary vocational education programs.

[20-12-0.5-8(2) (part)] **Sec. 2.** The commission shall biennially prepare a plan for implementing postsecondary vocational education programming after considering the long range state plan developed under ~~IC 20-1-18.3-10~~ **IC 22-4.1-13-9**. The commission shall submit ~~this the vocational education~~ plan to the commission on vocational and technical education ~~within the department of workforce development~~ for its review and recommendations. ~~and The~~ **commission** shall specifically report on how the **vocational education** plan addresses preparation for employment.

[20-12-0.5-8(3) (part)] **Sec. 3.** The commission may also make recommendations to the general assembly concerning the **vocational education** plan. ~~for postsecondary vocational education under subdivision (2).~~

[20-12-0.5-8(5)] ~~(5)~~ **Sec. 4.** ~~To~~ **The commission may** submit to the commission on vocational and technical education ~~within the department of workforce development~~ for its review under ~~IC 20-1-18.3-15~~ **IC 22-4.1-13-15** the legislative budget requests prepared by state educational institutions for state and federal funds for vocational education. These budget requests ~~shall~~ **must**:

- (1) be prepared upon request of the budget director; ~~shall~~
- (2) cover the period determined by the budget director; and ~~shall~~
- (3) be made available to the commission ~~within the department of workforce development on vocational and technical education~~ before review by the budget committee.

[20-12-0.5-8(6) (part)] **Sec. 5.** The commission ~~shall~~ **may**:

- (1) make or cause to be made studies of the needs for various types of postsecondary vocational education; and ~~shall~~
- (2) submit to the commission on vocational and technical education ~~within the department of workforce development~~ the commission's findings in this regard.

[20-12-0.5-8(12)] ~~(12)~~ **Sec. 6.** ~~To~~ **(a) The commission may** develop a definition for and report biennially to the:

- (A) general assembly;
- (B) governor; and
- (C) commission on vocational and technical education within the department of workforce development;

on attrition and persistence rates by students enrolled in state vocational education.

**(b)** A report under this ~~subdivision~~ **section** to the general assembly must be in an electronic format under IC 5-14-6.

#### **Chapter 11. Transfer of Courses and Programs; Report**

[20-12-0.5-8(13) (part)] ~~(13)~~ **Sec. 1.** ~~To~~ **The commission may** submit a report to the legislative council not later than August 30 of each year on the status of the transfer of courses and programs between state educational institutions, **including any initiative under IC 21-42.**





[20-12-0.5-8(13) (part)] **Sec. 2. The commission** ~~The report under~~  
**section 1 of this chapter** must include any changes made during the  
 immediately preceding academic year.

SECTION 30. IC 21-19 IS ADDED TO THE INDIANA CODE AS  
 A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1,  
 2007]:

**ARTICLE 19. BALL STATE UNIVERSITY**

**Chapter 1. General Provisions; Definitions**

**Sec. 1. The definitions in this chapter apply throughout this  
 article.**

**Sec. 2. "Board of trustees" refers to the board of trustees of Ball  
 State University.**

**Sec. 3. "Trustee" refers to a trustee on the board of trustees.**

**Chapter 2. Creation.**

[IC 20-12-57-1] ~~Sec. 1. The name of the body corporate created by  
 law and known and designated as the "State Teachers College Board"~~  
 is hereby changed to "Ball State University Board of Trustees."

[20-12-57-2] ~~Sec. 2. The name of Ball State Teachers College,  
 located and established at Muncie, Indiana, is hereby changed to "Ball  
 State University."~~

[20-12-57-3] ~~Sec. 3. All powers, rights, privileges, duties and  
 obligations, statutory, contractual, or of whatever kind, of the board and  
 the institution shall remain in full force and unchanged; and all  
 property and funds now held and used by them shall continue to be so  
 held and used; notwithstanding the change of the name of the board  
 and the institution; but henceforth under the designation of these new  
 names: All laws, regulations, ordinances, deeds, contracts and other  
 instruments of whatever kind now in effect concerning and referring to  
 Indiana State Normal School and Indiana State Normal School Eastern  
 Division and to the board of trustees of Indiana State Normal School  
 and to Ball State Teachers College and the State Teachers College  
 Board and to any public state normal school of the state; shall be  
 deemed to refer to and apply to Ball State University and the Ball State  
 University board of trustees with equal force and effect.~~

[20-12-57.5-1 (part)] ~~Sec. 1. (Ball State University: Continuance)  
 The state university educational institution located and established at  
 Muncie, Indiana is perpetuated under the name of "Ball State  
 University". together with its~~

[20-12-57.5-1 (part)] **Sec. 2. The board of trustees hereafter of Ball  
 State University is designated as the "Ball State University Board of  
 Trustees".** ~~or~~

[20-12-57.5-11 (part)] ~~Sec. 11. 3. (Board: Body Corporate; Powers)  
 The board of trustees shall constitute~~ **constitutes** a perpetual body  
 corporate.

**Chapter 3. Board of Trustees**

[20-12-57.5-1 (part)] ~~Sec. 1. or~~ **The board of trustees is** subject to



the provisions of this chapter and all other laws governing the affairs of their predecessors.

[20-12-57.5-2 (part)] **Sec. 2. (Board of Trustees: Membership)** The Ball State University board of trustees shall be is composed of nine (9) members, appointed by the governor pursuant to the provisions of this chapter: as follows:

(1) Six (6) of whom members shall who must be appointed at large.

(2) Two (2) of whom members shall who must be appointed as alumni of Ball State University. and

(3) One (1) of whom member shall who must be appointed as a Ball State University student.

[20-12-57.5-2 (part)] **Sec. 3.** Within the nonstudent board membership, Not more than six (6) of the nonstudent members of the board of trustees may shall be of the same sex. and Not less than At least one (1) member shall of the board of trustees must be a resident of and reside in Delaware County, Indiana.

[20-12-57.5-3] **Sec. 3: 4. (Board: Membership Qualifications)** All members of the board of trustees shall must be:

(1) residents of the State of Indiana; and

(2) citizens of the United States of America.

[20-12-57.5-2 (part)] **Sec. 5. (a)** To aid the governor in the selection of the student member, a search and screen committee is created. consisting The search and screen committee consists of the following:

(1) One (1) representative of the governor. and

(2) At least four (4) students chosen by the elected student government representatives of the student body.

(b) The search and screen committee shall establish the mode and criteria to be used in the selection of student nominees to serve on the board of trustees. The search and screen committee shall submit a list of at least ten (10) names to the governor for his the governor's consideration.

(c) The governor shall select one (1) of these names for appointment as a trustee of the university member of the board of trustees in accordance with the provisions of this chapter.

[20-12-57.5-4] **Sec. 4: The incumbent trustees on April 8, 1971, shall continue as members of the board until the expiration of their respective terms:**

[20-12-57.5-5] **Sec. 5: 6. (a)** After April 8, 1971, The Ball State University alumni council shall designate the term and nominate a person for each of the two (2) alumni memberships on the board of trustees.

(b) On or before June 30, 1971, The Ball State University alumni council, through the president of the Ball State University, shall submit the names of the nominees to the governor for his the governor's



1 immediate appointment to the board of trustees.

2 [20-12-57.5-6] Sec. ~~6~~ **7. (Board: Alumni Nomination)** At least  
3 thirty (30) days ~~prior to before~~ the expiration of the term of ~~any an~~  
4 alumni member, the Ball State University Alumni Council, or its  
5 successor, ~~shall must~~ submit, through the president of ~~the Ball State~~  
6 University, the name of the nominee ~~who shall be appointed by to~~  
7 **succeed the retiring alumni member.** The governor **shall appoint the**  
8 **nominee** as an alumni member ~~who shall serve during the next term~~  
9 **of the board of trustees.**

10 [20-12-57.5-8] Sec. 8. (a) With the exception of the student member  
11 of the board, all appointments to the **Ball State University** board of  
12 trustees are for four (4) year terms. Each term of a nonstudent board  
13 member begins on January 1 of the appropriate year. ~~Each~~

14 **(b) The term of a member shall serve continues** until ~~his the~~  
15 **member's** successor is appointed and qualified.

16 ~~(b)~~ **(c)** The student member of the board of trustees ~~who is~~  
17 ~~appointed under section 2 of this chapter~~ is appointed for a two (2) year  
18 term. ~~His~~ **The student member's** term begins on July 1 of the year in  
19 which ~~he the student member~~ is appointed. The student member ~~of~~  
20 ~~the board~~ must be a full-time student at Ball State University  
21 throughout ~~his the student member's~~ term.

22 [20-12-57.5-9] Sec. 9. ~~(Board: Vacancies) All vacancies~~ **A vacancy**  
23 occurring on the board of trustees from death, incapacitation, or  
24 resignation shall be filled by appointment of the governor for the  
25 unexpired term. Vacancies in offices held by alumni members shall be  
26 filled from nominees submitted by the **Ball State University** alumni  
27 council.

#### 28 **Chapter 4. Officers; Treasurer**

29 [20-12-57.5-10 (part)] ~~Sec. 10: 1. (Board: Organization)~~ The board  
30 **of trustees** shall meet at Ball State University in January of even  
31 numbered years and organize by:

32 (1) electing from their membership:

33 (A) a president;

34 ~~(B) a vice-president;~~ **vice president;**

35 ~~(C) a secretary; and~~

36 ~~(D) an assistant secretary; and~~

37 **(2) appoint appointing** a qualified person **who is** not a member  
38 of the board **of trustees** to serve as treasurer.

39 [20-12-57.5-10 (part)] **Sec. 2. The person appointed as treasurer**  
40 **of Ball State University** ~~who shall be~~ is responsible for the:

41 (1) receipt;

42 (2) custody;

43 (3) accounting; and

44 (4) proper protection;

45 of all funds due and accruing to Ball State University and the ~~Ball State~~  
46 ~~University~~ board of trustees from any and all sources and for whatever



purposes the funds and receipts are designated. ~~and who,~~

[20-12-57.5-10 (part)] **Sec. 3.** Before commencing ~~his~~ duties as **treasurer, the person appointed as treasurer of Ball State University** shall give bond in an amount prescribed by the board of trustees.

SECTION 31. IC 21-20 IS ADDED TO THE INDIANA CODE AS A **NEW ARTICLE TO READ AS FOLLOWS** [EFFECTIVE JULY 1, 2007]:

## **ARTICLE 20. INDIANA UNIVERSITY**

### **Chapter 1. General Provisions; Definitions**

[New] **Sec. 1.** The definitions in this chapter apply throughout this article.

[New] **Sec. 2. "Board of trustees"** refers to the board of trustees of Indiana University.

[New] **Sec. 3. "Trustee"** refers to a member of the board of trustees of Indiana University.

### **Chapter 2. Creation**

[20-12-23-1] **Sec. 1.** Indiana University is ~~hereby~~ recognized as the university of the state.

[20-12-23-2(c) (part)] **Sec. 2.** The **board of trustees** ~~and their successors shall be~~ is a body politic.

### **Chapter 3. Board of Trustees**

[20-12-23-2(c) (part)] **Sec. 1.** ~~with The style name of the board of trustees of Indiana University is "the trustees of Indiana University". in that name to sue and be sued; to~~

[20-12-23-2 (a) (part)] **Sec. 2.** (a) The board of trustees ~~of the state university shall be~~ has nine (9) in number: **members.**

[20-12-23-2 (b)] ~~(b)~~ **Sec. 3.** This ~~subsection~~ **section** does not apply to the student trustee appointed ~~under IC 20-12-24-3.5: to the board of trustees.~~ Not more than:

(1) one (1) of the trustees elected ~~under IC 20-12-24-2; to the board of trustees;~~ and

(2) two (2) of the trustees appointed ~~under IC 20-12-24-3; to the board of trustees;~~

may reside in the same county.

[20-12-24-2(a)] **Sec. 2- 4.** (a) Three (3) members of the board of trustees shall be elected by the alumni of ~~the Indiana University in the manner provided in~~ **under** this chapter. In the year in which the term of any member of the board of trustees elected by the alumni ~~will expire; expires,~~ a successor to ~~such the~~ trustee shall be elected by the alumni of ~~the Indiana University,~~ to serve for a term of three (3) years from the first day of July next succeeding the election.

(b) When a vacancy occurs in the membership of the board of trustees who are elected by the alumni, because of death, resignation, or any other reason, ~~such the~~ vacancy shall be filled by election by the alumni, for the unexpired term.



1 [20-12-24-2(b)] ~~(b)~~ **Sec. 5.** The members of the board of trustees  
 2 who are elected ~~under this section must be by the~~ alumni of ~~the~~  
 3 **Indiana University must be alumni of Indiana University.**

4 [20-12-24-4] ~~Sec. 4:~~ **6.** A registry of the names and addresses of the  
 5 alumni of ~~the~~ **Indiana** University shall be kept, and corrected from  
 6 time to time, by the president of ~~the~~ **Indiana** University or ~~his the~~  
 7 **president's** designated representative. The alumni of ~~the~~ **Indiana**  
 8 University ~~shall~~ consist of those persons who have been awarded a  
 9 degree by the **board of** trustees of ~~the~~ **Indiana** University as  
 10 recommended by the faculty.

11 [20-12-24-5] ~~Sec. 5:~~ **7. (a)** Any one hundred (100) or more alumni  
 12 of ~~the~~ **Indiana** University may file with the librarian of ~~the~~ **Indiana**  
 13 University on or before the first day of April in each year a written  
 14 nomination for a trustee to be elected by the alumni at the next election.  
 15 ~~Following such~~

16 **(b) After the** first day of April, but not later than the first day of  
 17 June, a list of all candidates nominated under this section shall be  
 18 mailed by ~~said the~~ librarian to each alumnus at the alumnus' address.

19 [20-12-24-6] ~~Sec. 6:~~ **8.** The election of members of the board of  
 20 trustees shall be held at ~~the~~ **Indiana** University on the secular day  
 21 immediately preceding July 1, at ~~the hour of nine o'clock in the~~  
 22 ~~forenoon:~~ **9 a.m.** At ~~such that~~ time ~~a trustee~~ trustees shall be elected  
 23 to:

24 **(1)** serve for a term of three **(3)** years from the first day of July  
 25 next succeeding ~~his the~~ trustee's election; and ~~any trustee or~~  
 26 ~~trustees whom the alumni are entitled to elect to~~

27 **(2)** complete any unexpired term or terms.

28 [20-12-24-7 (part)] ~~Sec. 7:~~ **9. (a)** Each alumnus may send to the  
 29 librarian, over ~~his the~~ alumnus's signature, at any time ~~prior to before~~  
 30 the election of ~~such a~~ trustee or trustees, the vote for ~~such the~~ trustee  
 31 or trustees ~~which he~~ **that the alumnus** would be entitled to cast if  
 32 personally present at ~~such~~ the election. The ballots and the containers  
 33 in which ~~such the~~ ballots are submitted ~~shall must~~ be:

34 **(1)** prepared and furnished by the librarian; and ~~shall be so~~

35 **(2)** designed as to enable the librarian to ascertain the name of the  
 36 voter, and to determine whether ~~he the~~ voter is entitled to  
 37 participate in ~~such the~~ election, without knowing for whom the  
 38 voter casts ~~his a~~ ballot.

39 **(b)** The librarian shall deliver all ~~such~~ votes ~~so~~ cast ~~to such in the~~  
 40 election, to be opened and counted at ~~such the~~ election, together with  
 41 the votes cast by those alumni who are personally present and entitled  
 42 to vote at ~~such the~~ election. ~~No~~

43 **(c)** An alumnus ~~shall be entitled to~~ **may not** cast more than one (1)  
 44 vote.

45 [20-12-24-7 (part)] **Sec. 10.** The person receiving the greatest  
 46 number of votes cast shall be declared ~~the~~ elected trustee. If two (2) or



more persons ~~shall~~ receive an equal and the greatest number of votes cast, the librarian shall cast lots to determine which of ~~such the~~ persons shall be declared ~~an~~ elected trustee.

[20-12-24-1] Sec. ~~11~~. **11.** ~~The trustees of Indiana University shall hereafter be elected for such terms of service and in such manner as is herein provided and The terms of service term of the trustees now in office, and of those hereafter elected, shall expire an elected trustee expires~~ on the first day of July of the year in which ~~such the~~ terms are to end.

[20-12-24-3] Sec. ~~3~~. **12. (a)** Five (5) members of the board of trustees ~~shall be appointed by~~ The governor **shall appoint five (5) members of the board of trustees** for terms of three (3) years.

**(b)** When a vacancy occurs in the membership of the board of trustees who are appointed by the governor, because of death, resignation, removal from the state, or for any other reason, ~~such the~~ vacancy shall be filled by an appointment of the governor for the unexpired term.

[20-12-24-3.5 (part)] Sec. ~~3-5~~. **13.** The governor shall appoint to the board of trustees a member who must be a full-time student of Indiana University during the two (2) year tenure of the appointment.

[20-12-24-3.5 (part)] Sec. **14. (a)** To aid the governor in the selection of the student member, a search and screen committee is created consisting of:

- (1)** one (1) representative of the governor; and
- (2)** at least four (4) students chosen by the elected student government representatives of the student body, including at least one (1) student from each campus of the university, main and regional.

**(b)** The **search and screen** committee shall establish the mode and criteria to be used in the selection of student nominees to serve on the board of trustees.

**(c)** The **search and screen** committee shall submit a list of at least ten (10) names to the governor for ~~his~~ consideration.

**(d)** The governor shall select one **(1)** of these names for appointment as a trustee of the university in accordance with ~~the provisions of~~ this chapter.

[20-12-23-2 (c) (part)] Sec. ~~14~~. **15.** ~~The board of trustees shall declare vacant the seat of any trustee who shall is:~~

- (A)** absent ~~himself~~ from two (2) successive meetings of the board of trustees; or ~~be~~
- (B)** guilty of any gross immorality or breach of the bylaws of the ~~institution, to~~ **Indiana University.**

[20-12-23-4 (part)] Sec. **16. (a)** ~~This section applies if an emergency is declared by the faculty after there shall have been a called a session at which of the board of trustees has been called that the other board of trustee members who do not reside in~~



1 **Monroe County** failed to attend. ~~The~~

2 (b) Three (3) trustees ~~residing who reside~~ in the county of Monroe  
3 **County** may fill vacancies in the faculty of ~~the Indiana~~ University and  
4 the board of trustees. ~~and; in case there should~~ **If there are not be**  
5 three (3) trustees in attendance ~~upon such after an emergency then~~  
6 ~~those is declared, the:~~

7 (1) trustees that are in attendance; together with such who  
8 attend; and

9 (2) members of the faculty as may be in attendance; who attend;  
10 shall fill ~~such the~~ vacancies. ~~but~~

11 (c) Appointments ~~thus~~ made ~~shall~~ **under this section** expire at the  
12 next meeting of the board of trustees.

13 [20-12-25-1] ~~Sec. 1. Nothing contained in IC 20-12-24 shall be so~~  
14 ~~construed as to abridge, alter, or change the term of any trustee who is~~  
15 ~~serving as such on June 30, 1931; but such trustee shall serve for the~~  
16 ~~term for which he was elected as he would have done if IC 20-12-24~~  
17 ~~had not been passed; but the successor of any trustee shall be elected~~  
18 ~~as provided in IC 20-12-24.~~

#### 19 **Chapter 4. Officers**

20 [20-12-23-2 (c) (part)] ~~(c)~~ **Sec. 1. The board of trustees shall elect:**

21 (1) one (1) ~~of their number member~~ as president; ~~to elect a~~

22 (2) ~~one (1) member~~ as treasurer;

23 (3) ~~one (1) member~~ as secretary; and ~~such~~

24 (4) any other officers as they may ~~deem~~ **the trustees consider**  
25 necessary. ~~to~~

26 **The board of trustees shall** prescribe the duties and fix the  
27 compensation of ~~such the~~ officers **elected under this section.**

28 [20-12-23-12] ~~Sec. 12. 2.~~ The treasurer of ~~the Indiana~~ University  
29 shall give bond in a ~~penalty an amount~~ and with surety ~~to be~~ approved  
30 by ~~such the~~ board payable to the state of trustees that is conditioned  
31 for upon the faithful discharge of ~~his the~~ treasurer's duties. ~~which~~  
32 **The bond shall be:**

33 (1) payable to the state; and

34 (2) filed with the auditor of state.

35 [20-12-23-17] ~~Sec. 17. 3.~~ The treasurer of ~~said Indiana~~ University  
36 shall **do the following: First:**

37 (1) Keep true accounts of all money received into the treasury of  
38 ~~said Indiana~~ University, and of the money's expenditure. ~~thereof.~~

39 ~~Second:~~

40 (2) Pay out the ~~same Indiana university's~~ funds on the order of  
41 the board of trustees, certified by ~~their the~~ board of trustee's  
42 secretary. ~~Third:~~

43 (3) Collect the tuition fees due ~~the same: Indiana University.~~

44 ~~Fourth:~~

45 (4) Make ~~semi-annual~~ **semiannual** settlements with the board of  
46 trustees. ~~Fifth:~~



(5) Submit a full statement of the finances of ~~the~~ **Indiana University** ~~his~~ **and the treasurer's** receipts and payments at each meeting of the board of trustees. ~~Sixth.~~

(6) Submit ~~his~~ **the treasurer's** books and papers to the inspection of the **board of** trustees and visitors.

[20-12-23-22] Sec. ~~22~~: **4. Such** The report ~~shall of the treasurer of~~ **Indiana University must** contain what is ~~now~~ included in the annual catalogue, with ~~such~~ other matters ~~as may be deemed considered~~ useful to the cause of education connected with ~~the~~ **Indiana University**.

[20-12-23-16] Sec. ~~16~~: **5.** The secretary of the board of trustees shall:

(1) keep a true record of ~~all~~ the proceedings of ~~said the board and~~ **of trustees;**

(2) certify copies ~~thereof~~. He ~~shall also keep of the board of~~ **trustee's proceedings; and**

(3) **maintain:**

(A) an account of the students in ~~the~~ **Indiana University** ~~according to their by the students'~~ **classes, stating their including the students'** respective ages and places of residence; and

(B) a list of all graduates.

#### **Chapter 5. Meetings**

[20-12-23-3] Sec. ~~3~~: **1. Said trustees** The board of trustees shall annually meet ~~at in the town of~~ **Bloomington**, at least three (3) days ~~preceding before~~ the annual commencement of ~~the~~ **Indiana University**.

[20-12-23-4 (part)] Sec. ~~4~~: **2. Five (5) members of such the board of trustees shall** constitute a quorum. ~~and; in case~~

SECTION 32. IC 21-21 IS ADDED TO THE INDIANA CODE AS A **NEW ARTICLE TO READ AS FOLLOWS** [EFFECTIVE JULY 1, 2007]:

### **ARTICLE 21. INDIANA STATE UNIVERSITY**

#### **Chapter 1. General Provisions; Definitions**

[New] Sec. **1.** The definitions in this chapter apply throughout **this article.**

[New] Sec. **2.** "Board of trustees" refers to the **Indiana State University board of trustees.**

[New] Sec. **3.** "Trustee" refers to a trustee of the board.

#### **Chapter 2. Creation**

[20-12-56-2 (part)] Sec. ~~2~~: **1.** A bipartisan **board of trustees** shall be known ~~and designated~~ as the **Indiana State University board of trustees.** ~~to be constituted as provided in this chapter; which shall be~~

[20-12-56-2 (part)] Sec. **2.** The board of trustees constitutes a perpetual body corporate. ~~with~~

#### **Chapter 3. Board of Trustees**

[20-12-56-2 (part)] Sec. ~~2~~: **1.** There is hereby created A bipartisan board of trustees **is established for Indiana State University.** ~~which~~





[20-12-56-3(a) (part)] ~~Sec. 3. (a)~~ **2. The Indiana State University board of trustees shall be is composed of nine (9) trustees appointed by the governor shall appoint to the board as follows:**

**(1) Seven (7) competent persons; individuals, one (1) of whom must be a student. and**

**(2) Two (2) additional competent persons; individuals who are alumni of the Indiana State University nominated by the alumni council of the Indiana State University. shall be appointed by the governor.**

[20-12-56-3(b) (part)] ~~(b)~~ **Sec. 3. All trustees and their successors shall be appointed for terms of (a) Subject to subsection (b), the term of a trustee is four (4) years. except the student member who shall be appointed for**

**(b) The term of a student trustee is two (2) years. during which time he**

[20-12-56-3(c)] ~~(c)~~ **Sec. 4. (a) To aid the governor in the selection of the student member, a search and screen committee is created consisting of one (1) representative of the governor and at least four (4) students chosen by the elected student government representatives of the student body.**

**(b) The search and screen committee shall establish the mode and criteria to be used in the selection of student nominees to serve on the board of trustees.**

**(c) The search and screen committee shall submit a list of at least ten (10) names to the governor for his consideration.**

**(d) The governor shall select one (1) of these names for appointment as a trustee of the Indiana State University. in accordance with the provisions of this chapter.**

[20-12-56-3(d) (part)] ~~(d)~~ **Sec. 5. All members (a) An individual appointed to the board shall of trustees must be residents a resident of the state of Indiana and citizens a citizen of the United States of America. The**

[20-12-56-3(d) (part)] **Sec. 6. An alumni members member appointed to the board shall of trustees must have completed a prescribed course of study by Indiana State University or its one (1) of the following predecessors of Indiana State University:**

**(1) Indiana State Normal School.**

**(2) Indiana State Teachers College. or**

**(3) Indiana State College.**

[20-12-56-3(b) (part)] **Sec. 7. The student trustee appointed to the board of trustees must be a full-time student of Indiana State University during the student trustee's term.**

[20-12-56-3(a) (part)] **Sec. 8. There shall be At least one (1) or more women woman must be on the duly constituted board of trustees.**

[20-12-56-3(e) (part)] **Sec. 9. (a) (c) All vacancies The governor**



1 shall fill a vacancy occurring in the board of trustees from death,  
 2 resignation, or removal from the state ~~shall be filled by appointment by~~  
 3 ~~the governor~~ for the unexpired term of the retiring member. subject to  
 4 the provision that trustee.

5 (b) The alumni council of ~~the Indiana State~~ University shall  
 6 nominate the appointee to fill a vacancy caused by the loss of an  
 7 alumni member.

#### 8 Chapter 4. Elected Officers; Treasurer

9 [20-12-56-4 (part)] Sec. 1. (a) The board of trustees, when  
 10 assembled, shall organize by electing the following from among ~~their~~  
 11 the membership of the board of trustees:

12 (1) A president.

13 (2) A vice president.

14 (3) A secretary. ~~and~~

15 (4) An assistant secretary. ~~each to serve for a~~

16 (b) The term of an office elected under this section is one (1) year.  
 17 and

18 [20-12-56-4 (part)] Sec. 2. The board shall appoint a qualified  
 19 person; individual who is not a member of the board to serve as  
 20 permanent treasurer. ~~who shall be~~

21 [20-12-56-4 (part)] Sec. 3. The treasurer is responsible for the:

22 (1) receipt;

23 (2) custody;

24 (3) accounting; and

25 (4) proper protection;

26 of all funds due and accruing to ~~Indiana State University~~ the university  
 27 and the ~~Indiana State University~~ board of trustees from any ~~and all~~  
 28 sources and for whatever purposes ~~such the~~ funds and receipts may be  
 29 designated. ~~and who;~~

30 [20-12-56-4 (part)] Sec. 4. The treasurer shall give a bond in the  
 31 amount determined by the board before commencing ~~his the~~  
 32 treasurer's duties. ~~shall give bond in an amount prescribed by the~~  
 33 ~~board.~~

#### 34 Chapter 5. Meetings

35 [20-12-56-4 (part)] Sec. ~~4~~ 1. The board of trustees shall meet in  
 36 July of each year, or as soon ~~thereafter~~ after July as practicable, at  
 37 Indiana State University in Terre Haute. ~~Indiana.~~

38 SECTION 33. IC 21-22 IS ADDED TO THE INDIANA CODE AS  
 39 A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1,  
 40 2007]:

### 41 ARTICLE 22. IVY TECH COMMUNITY COLLEGE OF 42 INDIANA

#### 43 Chapter 1. General Provisions; Definitions

44 [New] Sec. 1. The definitions in this chapter apply throughout  
 45 this article.

46 [20-12-61-1.2] Sec. ~~1-2~~. As used in this chapter, "Ivy Tech" refers



to Ivy Tech Community College of Indiana:

[20-12-75-1.3] ~~Sec. 1.3:~~ As used in this chapter, "Ivy Tech" refers to Ivy Tech Community College of Indiana:

[20-12-75-1] ~~Sec. 1:~~ (a) As used in this chapter, "General education" means education that is:

(1) not directly related to a student's formal technical, occupational, or professional preparation;

(2) a part of every student's course of study, regardless of the student's area or emphasis; and

(3) intended to impart common knowledge, intellectual concepts, and attitudes that every educated person should possess.

(b) The term includes education that is:

(1) necessary for a student to receive a high school diploma; and

(2) offered by the system.

[20-12-75-2] ~~Sec. 2:~~ As used in this chapter, "Occupational and technical education" means education that is:

(1) job employment oriented; and

(2) intended to deliver occupational specific skills that are necessary for employment.

[New] **Sec. 3. "Region" refers to a region established under IC 21-22-6-1.**

[20-12-61-1.4] ~~Sec. 1.4:~~ **Sec. 4.** As used in this chapter, "Regional board" refers to a regional board of trustees established under ~~section 10 of this chapter.~~ **IC 21-22-6-2.**

[20-12-61-1.6] ~~Sec. 1.6:~~ **Sec. 5.** As used in this chapter, "Regional institute" means a regional institute established under ~~section 10 of this chapter.~~ **IC 21-22-6-1.**

[20-12-61-1.8] ~~Sec. 1.8:~~ **Sec. 6.** As used in this chapter, "State board of trustees" refers to the board of trustees of Ivy Tech Community College.

## **Chapter 2. Creation**

[20-12-61-2(a) (part)] ~~Sec. 2:~~ **Sec. 1.** (a) There shall be, and hereby is created and is established a two (2) year state college. to

[20-12-61-3] ~~Sec. 3:~~ **Sec. 2.** Said (a) Subject to this section, the two (2) year state educational institution established by section 1 of this chapter shall be called "Ivy Tech Community College of Indiana". but authority is hereby given to its governing

(b) The board of trustees as hereinafter described, to may change the name of the state educational institution with the approval of the governor. of the state of Indiana.

[20-12-61-5(a) (part)] ~~Sec. 5:~~ **3.** (a) The state board of trustees is a body corporate and politic. and

## **Chapter 3. State Board of Trustees**

[20-12-61-4 (part)] ~~Sec. 4:~~ **Sec. 1.** (a) Ivy Tech Community College shall be governed by a state board of trustees appointed by the governor.



[20-12-61-5(a) (part)] **Sec. 2. The state board of trustees** shall be known by the name of "The Trustees of Ivy Tech Community College of Indiana", except when the name is altered, as provided in ~~this chapter. IC 21-22-2-2.~~

[20-12-61-4 (part)] **Sec. 3. (a)** The number of members of the state board of trustees must equal the number of regions established ~~under section 9 of this chapter.~~ **by the state board of trustees.** Each member of the state board of trustees must have knowledge or experience in one (1) or more of the following areas:

- (1) Manufacturing.
- (2) Commerce.
- (3) Labor.
- (4) Agriculture.
- (5) State and regional economic development needs.
- (6) Indiana's educational delivery system.

One (1) member of the state board of trustees must reside in each region established ~~under section 9 of this chapter.~~ **by the state board of trustees.** Appointments shall be for three (3) year terms, on a staggered basis.

(b) No one who holds an elective or appointed office of the state is eligible to serve as a member of the state board of trustees. A member of a regional board may be appointed to the state board of trustees, but must then resign from the regional board.

[20-12-61-6] ~~Sec. 6.~~ **Sec. 4. (a)** The governor shall fill all vacancies on the state board of trustees. Each trustee appointed to fill a vacancy shall represent the same region as ~~his~~ **the trustee's** predecessor.

(b) If a vacancy occurs on the state board of trustees, the regional board for the region in which the former member resided may recommend to the governor one (1) or more qualified persons to fill the vacancy.

#### **Chapter 4. Officers; Treasurer; Secretary**

[20-12-61-7(a) (part)] ~~Sec. 7.~~ **Sec. 1. (a)** The members of the state board of trustees shall elect from their own number a chairman and a vice chairman.

[20-12-61-7(a) (part)] **Sec. 2.** The state board of trustees may select from their number:

- (1) a secretary; and
- (2) a treasurer;

of Ivy Tech **Community College** but are not prohibited from appointing employees to serve as secretary and treasurer. ~~and are authorized~~

[20-12-61-7(a) (part)] **Sec. 3. The state board of trustees to may** appoint employees as assistant secretary and assistant treasurer.

[20-12-61-7.5] ~~Sec. 7.5.~~ **Sec. 4.** The duties of the treasurer of Ivy Tech **Community College** include the following:

- (1) Keep true accounts of all money received into the treasury of



Ivy Tech **Community College** and of the expenditure ~~thereof~~ **of that money.**

(2) Pay out the same on order of the state board **of trustees.**

(3) Collect the tuition and fees due to Ivy Tech **Community College** as well as gifts, grants, bequests, and devises.

(4) Submit a full statement of the finances of Ivy Tech **Community College** and ~~his~~ **the treasurer's** receipts and payments, at each annual meeting of the state board **of trustees.**

(5) Invest and reinvest such funds as shall come into ~~his~~ **the treasurer's** possession to the benefit of Ivy Tech **Community College.**

[20-12-61-7.6] ~~Sec. 7-6.~~ **Sec. 5.** The treasurer of Ivy Tech **Community College** shall give a bond in a penalty and with surety to be approved by the state board **of trustees**, payable to the state, conditioned upon the faithful discharge of ~~his~~ **the treasurer's** duties.

[20-12-61-7.7] ~~Sec. 7-7.~~ **Sec. 6.** The secretary of Ivy Tech **Community College** shall keep, or cause to be kept, a true and complete record of the proceedings of the state board **of trustees**. ~~which record shall be kept~~ **The secretary shall keep the record** in the headquarters of Ivy Tech **Community College.** ~~In addition,~~ The secretary shall perform such other duties as the state board **of trustees** determines.

#### **Chapter 5. Headquarters; State Board of Trustee Meetings**

[20-12-61-8] ~~Sec. 8.~~ **Sec. 1.** Ivy Tech **Community College** and the state board **of trustees** shall have headquarters in Marion County, Indiana.

[20-12-61-7(b)] ~~(b)~~ **Sec. 2.** The state board **of trustees** shall meet regularly four (4) times a year and at other times upon call by its chairman.

#### **Chapter 6. Regional Institutes; Regional Board of Trustees**

[20-12-61-9 (part)] **Sec. 1.** ~~The state board of trustees may do the following:~~

~~(4) (1) Dividing the state~~ **Divide Indiana** into appropriate regions, taking into consideration, but not limited to, factors such as population, potential enrollment, tax bases, and driving distances, and developing an overall state plan which provides for the orderly development of regional technical institutes encompassing, ultimately, all parts of ~~the state~~ **Indiana** into a coordinated system providing a comprehensive program of post-high school general, liberal arts, occupational, and technical education.

~~(5) (2)~~ **(2)** Whenever a regional institute is established, ~~issuing issue~~ a certificate of incorporation and a charter, in a form that the state board **of trustees** provides, to the regional institute, assisting and supervising the development of a regional plan, and coordinating regional programs to avoid unnecessary and wasteful duplication.



~~(6) (3) Making~~ **Make** biennial studies of the budget requirements of the regional institutes and of its own programs and preparing a budget, including anticipated revenues and providing for the construction or rental of facilities requisite to carrying out the needs of Ivy Tech **Community College**.

~~(7) (4) Performing or contracting~~ **Perform or contract** for the performance of an audit of the financial records of each regional institute on at least a biennial basis.

[20-12-61-10] ~~Sec. 10.~~ **Sec. 2.** Whenever the state board **of trustees** establishes ~~an~~ **a regional** institute within a region, it shall appoint a regional board of trustees.

[20-12-61-11(a)] ~~Sec. 11.~~ **Sec. 3.** ~~(a)~~ The regional board ~~of trustees~~ of a regional institute ~~shall~~ **must** consist of seven (7) members, including at least five (5) members who are representative of the manufacturing, commercial, agricultural, labor, and educational groups of the region, all ~~to be~~ appointed by the state board **of trustees**. All members of the regional board must be residents of the region. Appointments are for three (3) year terms, on a staggered basis, and all trustees must be citizens of Indiana. Members may serve for an unlimited number of terms.

[20-12-61-11(b)] ~~(b)~~ **Sec. 4.** A vacancy on the regional board ~~shall~~ **must** be filled by appointment by the state board **of trustees**. The regional board shall nominate three (3) candidates to fill the vacancy within forty (40) days after the vacancy occurs. The state board **of trustees** may appoint one (1) of the persons nominated by the regional board or may reject all of the regional board's nominees. If the state board **of trustees** rejects all of the nominees from a regional board, the state board **of trustees** shall notify the regional board, and the regional board shall make three (3) additional nominations within forty (40) days after receipt of the notice. The state board **of trustees** shall then fill the vacancy from either the original group of nominations or from the additional nominations.

[20-12-61-11(c) (part)] ~~(c)~~ **Sec. 5.** The members of the regional board shall annually elect a chairman, a vice chairman, and a secretary.

[20-12-61-11(c) (part)] **Sec. 6.** Meetings of the regional board shall be called in such a manner and at such times, and shall operate under such rules, as the regional board may prescribe. ~~but~~ The regional board shall meet at least four (4) times annually.

[20-12-61-11(c) (part)] **Sec. 7.** A majority of the regional board constitutes a quorum.

[20-12-61-12(a)] ~~Sec. 12.~~ ~~(a)~~ **8.** A regional board shall do the following:

- (1) Make a careful analysis of the educational needs and opportunities of the region.
- (2) Develop and recommend to the state board **of trustees**, a plan for providing postsecondary:



- 1           (A) general **education**;  
 2           (B) liberal arts **education**; and  
 3           (C) occupational and technical education;  
 4 for the people of that region.

5 (3) Develop and recommend a budget for regional programs and  
 6 operations.

7 (4) Identify and recommend alternative methods of acquiring or  
 8 securing facilities and equipment necessary for the delivery of  
 9 effective regional programs.

10 (5) Facilitate and develop regional cooperation with employers,  
 11 community leaders, economic development efforts, area  
 12 vocational centers, and other public and private education and  
 13 training entities in order to provide postsecondary general, liberal  
 14 arts, and occupational and technical education and training in an  
 15 efficient and cost effective manner and to avoid duplication of  
 16 services.

17 (6) Determine through evaluation, studies, or assessments the  
 18 degree to which the established training needs of the region are  
 19 being met.

20 (7) Make recommendations to the state board **of trustees**  
 21 concerning policies that appear to substantially affect the regional  
 22 board's capacity to deliver effective and efficient programming.

23 [20-12-61-12(b)] ~~(b)~~ **Sec. 9.** A regional board may do the following:

24 (1) Adopt, amend, or repeal bylaws for the regional institute,  
 25 subject to the approval of the state board **of trustees**.

26 (2) Make recommendations to the state board **of trustees**  
 27 concerning amendments to the charter of the regional institute.

28 [20-12-61-13(a) (part); 20-12-61-13(b)] ~~(b)~~ **Sec. 10.** Before taking  
 29 any ~~action under subsection (a)(1), (a)(3), (a)(5), or (a)(8) of the~~  
 30 **following actions** that would substantially affect a regional institute,  
 31 the state board **of trustees** shall request recommendations concerning  
 32 the proposed action from the regional board for that region:

33 (1) **Hold, encumber, control, acquire by donation or purchase,**  
 34 **construct, own, lease, use, and sell real and personal property**  
 35 **as is necessary for the conduct of its program of operation, on**  
 36 **whatever terms and for whatever consideration may be**  
 37 **appropriate.**

38 (2) **Develop and adopt the appropriate programs to be**  
 39 **offered.**

40 (3) **Employ the chief administrator of a regional institute.**

41 (4) **Prescribe rules for the effective operation of a statewide**  
 42 **program and exercise other powers that are necessary for the**  
 43 **efficient management of the program.**

44 [20-12-61-13(c)] ~~(c)~~ **Sec. 11.** Upon request of a regional board that  
 45 has submitted recommendations under ~~subsection (b) or section~~  
 46 ~~12(a)(7)~~ **section 8(7) or 10** of this chapter, the state board **of trustees**



1 shall conduct public hearings concerning the recommendations at a  
2 regular or special meeting of the state board **of trustees.**

3 SECTION 34. IC 21-23 IS ADDED TO THE INDIANA CODE AS  
4 A NEW ARTICLE TO READ AS FOLLOW [EFFECTIVE JULY 1,  
5 2007]:

6 **ARTICLE 23. PURDUE UNIVERSITY**

7 [20-12-35-1] Sec. 1: The state of Indiana accepts and claims the  
8 benefits of the provisions of said Acts of Congress, July 2, 1862, and  
9 April 14, 1864, and assents to all the conditions and provisions in said  
10 acts contained:

11 [20-12-35-2] Sec. 2: The governor of this state, for the time being,  
12 and Alfred Pollard of Gibson, Smith Vawter of Jennings, Henry Taylor  
13 of Tippecanoe, and Lewis Burke, of Wayne, and their successors, are  
14 created a body corporate, under the name of "The Trustees of the  
15 Indiana Agricultural College."

16 [20-12-35-3] Sec. 3: Said trustees shall, by the hand of their  
17 treasurer, claim and receive from the secretary of the interior the land  
18 scrip to which this state is entitled by the provisions of said Acts of  
19 Congress July 2, 1862, and April 14, 1864, and, under their direction,  
20 said treasurer shall sell the same, in such manner and at such times as  
21 shall be most advantageous to the state, and shall invest the proceeds  
22 thereof, and any interest that may accrue thereon, in the stocks of the  
23 United States or of this state yielding not less than five (5) percent per  
24 annum upon the par value of the stocks; and said principal and interest  
25 shall continue to be so invested, until further provision shall be made  
26 by the general assembly of this state for fulfilling the requirements of  
27 said Act of Congress:

28 **Chapter 1. General Provisions; Definitions**

29 [New] Sec. 1. The definitions in this chapter apply throughout  
30 this article.

31 [New] Sec. 2. "Airport" refers to the Purdue University Airport.

32 [New] Sec. 3. "Board of trustees" refers to the board of trustees  
33 of Purdue University.

34 [New] Sec. 4. "Secretary" refers to the secretary of the board of  
35 trustees.

36 [New] Sec. 5. "Treasurer" refers to the treasurer of the board  
37 of trustees.

38 **Chapter 2. Creation**

39 [20-12-36-1] Sec. 1: The donations offered by John Purdue, as set  
40 forth and communicated to the forty-sixth general assembly in the  
41 message of the governor, on April 16, 1869, and the donations offered  
42 by the county of Tippecanoe, the trustees of the Battle Ground Institute,  
43 and the trustees of the Battle Ground Institute of the Methodist  
44 Episcopal Church, as set forth and communicated to the general  
45 assembly, at the 1869 Regular Session, in the message of the governor  
46 of January 27, 1869, be, and the same are hereby accepted by the state





of Indiana.

[20-12-36-2] Sec. ~~2~~ **1**. The college contemplated and provided by the Act of Congress, approved July 2, 1862, entitled "An act donating public lands to the several states and territories which may provide colleges for the benefit of agriculture and the mechanic arts," is ~~hereby~~ located in Tippecanoe County, at ~~such the point as may be~~ determined before the first day of January, 1870, by a majority vote of the trustees of the Indiana Agricultural College. ~~and~~ The faith of the state is ~~hereby~~ pledged that the location so made shall be permanent.

[20-12-36-3] Sec. ~~3~~ **2**. In consideration of the: ~~said~~

(1) donation by John Purdue, amounting to one hundred and fifty thousand dollars (\$150,000); and ~~of~~

(2) the further donation of one hundred (100) acres of land appurtenant to the **state educational** institution; and

on condition that the ~~same donation~~ be made effectual, the ~~said state educational~~ institution ~~from and~~ after the date of its location as aforesaid; **determined under section 1 of this chapter** shall have the name and style of "Purdue University". ~~and~~ The faith of the state is ~~hereby~~ pledged that ~~said the~~ name and style shall be the permanent designation of **said the state education** institution, without addition thereto or modification. ~~thereof~~.

[20-12-36-4 (part)] Sec. ~~4~~ **3**. ~~From and~~ After the date of the location made as aforesaid; **of Purdue University**, the corporate name of the trustees of the Indiana Agricultural College shall be "The Trustees of Purdue University".

[20-12-36-5] Sec. 5: In further consideration of his said donation, John Purdue shall, from and after May 6, 1869, be added as a member of said trustees of the Indiana Agricultural College; and he shall also be a member of said trustees of Purdue University; should he at any time cease to be such member, he shall be continued as an advisory member of said trustees; and he shall, during his lifetime, have visitorial power for the purpose of inspecting the property, real and personal, of said university; recommending to the trustees such measures as he may deem necessary for the good of the university; and investigating the financial concerns of the corporation. And he is authorized to make report of his examination, inspection, and inquiries to the general assembly at any session thereof.

[20-12-36-6] Sec. 6: This chapter shall be subject to future amendment or repeal; except so far as it provides for the acceptance of donations, the location of the college, the name and style thereof, and the rights and privileges conferred upon John Purdue.

### **Chapter 3. Board of Trustees**

[20-12-37-1] Sec. 1. The board of trustees ~~of Purdue University~~ shall ~~consist~~ **consists** of ten (10) members, to be appointed for ~~such the~~ term of service and in ~~such the~~ manner as is ~~herein~~ provided ~~and that~~ **by this chapter**. The terms of all trustees shall terminate on the first



1 day of July 1 of the year in which their terms of office expire.

2 [20-12-37-2] Sec. 2. The governor of the state of Indiana shall  
3 appoint ten (10) trustees for Purdue University for the term beginning  
4 on the first day of July 1 which trustees and their successors shall be  
5 appointed as hereinafter provided: in conformity with this chapter.

6 [20-12-37-3] Sec. 3. (a) Three (3) members of the board of trustees  
7 so appointed shall be selected by the members of the Purdue alumni  
8 association. One (1) of whom shall the members must be a graduate  
9 of the school of agriculture. at the annual meeting of such association  
10 for the year 1920-1921, to be held prior to July 1, 1921, one of such  
11 trustees so selected shall serve for one (1) year; one for two (2) years  
12 and one for three (3) years; All of such members of the board of  
13 trustees so selected shall under this section must be members of the  
14 alumni association and graduates of Purdue University. The  
15 qualifications thus prescribed shall apply to all subsequent selections.

16 (b) At the annual meeting of the Purdue alumni association for the  
17 year in which the term of office of any one (1) of the said alumni  
18 trustees selected under this section expires, a successor shall be  
19 selected by the members of the Purdue alumni association, in such the  
20 manner as such that the Purdue alumni association may prescribe:  
21 prescribes. The president of such the Purdue alumni association shall  
22 certify all selections so made by such the Purdue alumni association.  
23 and the respective terms of such persons so selected; and the persons  
24 so selected shall; by the governor be appointed to serve for the  
25 respective periods for which such persons were so selected:

26 (c) If, at any time, a vacancy shall occur occurs on the board of  
27 trustees, occasioned by the death, resignation, expiration of term, or  
28 otherwise, of any of the members of the board of trustees selected by  
29 the members of the Purdue alumni association, such the vacancy shall  
30 be filled by selection by the president of such the Purdue alumni  
31 association. to serve The member selected to fill a vacancy serves  
32 until the next annual meeting of such the Purdue alumni association  
33 when a successor to fill out the unexpired term shall be selected as  
34 herein in the manner provided and such person so in subsection (b).  
35 The member selected by the Purdue alumni association shall be  
36 appointed by the governor to fill out such the unexpired term.

37 [20-12-37-4 (a)] Sec. 4. (a) Seven (7) of the trustees shall be  
38 appointed by the governor. as follows:

39 (1) Two (2) of the trustees shall be appointed to serve for a term  
40 of one (1) year;

41 (2) Two (2) for a term of two (2) years; and

42 (3) Two (2) for a term of three (3) years.

43 [20-12-37-4 (b)] (b) Sec. 5. Two (2) members of the board of  
44 trustees so appointed by the governor shall must be involved in  
45 agricultural pursuits. One (1) of the members of the board of trustees  
46 appointed by the governor must be a full-time student of Purdue



University. ~~during the two (2) year tenure of the appointment.~~

[20-12-37-4 (c)] ~~(c)~~ **Sec. 6. (a)** To aid the governor in the selection of the student member, a search and screen committee is created consisting of:

(1) one (1) representative of the governor; and

(2) at least four (4) students chosen by the elected student government representatives of the student body, including at least one (1) student from each campus of ~~the~~ **Purdue** University, main and regional.

(b) The **search and screening** committee shall establish the mode and criteria to be used in the selection of student nominees to serve on the board of trustees. The **search and screening** committee shall submit a list of ~~the names of~~ at least ten (10) ~~names individuals~~ to the governor for the governor's consideration. The governor shall select one (1) of these ~~names individuals~~ for appointment as a ~~trustee of the university in accordance with this chapter.~~ **student member of the board of trustees.**

[20-12-37-4 (d)] ~~(d)~~ **Sec. 7.** All ~~succeeding and subsequent trustees in this section provided shall be appointed from the respective classes as provided in this section.~~ All succeeding and subsequent trustees, whether selected by the Purdue alumni association or appointed by the governor, as provided in this section, shall **members of the board of trustees** serve for a ~~period of~~ three (3) years, except for the student member who ~~shall serve~~ **serves** for two (2) years.

[20-12-37-4 (e)] ~~(e)~~ **Sec. 8.** In case any vacancy occurs on the board ~~of~~ of trustees by reason of the resignation, removal from the state, expiration of the term of office, or otherwise, of any of the trustees appointed by the governor, the vacancy shall be filled by the governor from the respective classes as provided in this section to serve only for the unexpired term.

[20-12-37-5] ~~Sec. 5-~~ **9.** The acceptance of an appointment by the governor ~~shall signify~~ **signifies** that the appointee will give ~~his the~~ **the appointee's** best efforts to the interests of Purdue University and that ~~he the appointee~~ will regularly attend the meetings of the board of trustees. The secretary of ~~said the~~ board of trustees shall report the attendance of each meeting of the board of trustees to the governor. If a member is absent for two (2) consecutive meetings without sufficient excuse, it shall be considered sufficient cause for the governor to ask for the resignation of ~~such the~~ member.

#### **Chapter 4. Officers; Treasurer**

[20-12-38-1 (part)] ~~Said~~ **The board of trustees** shall:

(1) at their first meeting after their appointment; and

(2) every two (2) years thereafter;

choose a president of ~~said the board and they of trustees.~~

[20-12-38-1 (part)] **Sec. 2. The board of trustees** shall:

(1) at ~~such their first~~ **meeting after appointment; and**



1           (2) every two (2) years thereafter; and  
 2           (3) whenever a vacancy occurs;  
 3 elect by ballot a secretary and treasurer. ~~neither of whom shall~~  
 4           [20-12-38-1 (part)] **Sec. 3. The secretary and the treasurer may**  
 5 **not be a member members** of the board ~~whose of~~ trustees.  
 6           [20-12-38-1 (part)] **Sec. 4. The board of trustees shall set the**  
 7 **compensation shall be fixed by of the secretary and the trustees-**  
 8 **treasurer.**  
 9           [20-12-38-1 (part)] **Sec. 5. The said treasurer shall give such a bond**  
 10 **to the state of Indiana in any sum not less than fifty thousand dollars**  
 11 **(\$50,000), for the faithful execution of his the treasurer's trust, with**  
 12 **sufficient sureties, as said the board of trustees may require: and he**  
 13 **requires.**  
 14           [20-12-38-1 (part)] **Sec. 6. The treasurer shall:**  
 15           (1) receive;  
 16           (2) take charge of; and  
 17           (3) **manage**, under the direction of ~~said the board of~~ trustees;  
 18           **manage;**  
 19 all stocks and funds belonging to ~~said~~ **Purdue** University.

#### 20           **Chapter 5. Meetings**

21           [20-12-36-4 (part)] **Sec. 1. The board of trustees shall holding**  
 22 **hold their its** meetings at ~~such the~~ **dates**, times, and places as ~~they the~~  
 23 **board of trustees** may agree on.

24           [20-12-36-4 (part)] **Sec. 2. A majority of their the number**  
 25 **constituting of the board of trustees constitutes** a quorum.

26           SECTION 35. IC 21-24 IS ADDED TO THE INDIANA CODE AS  
 27 A **NEW ARTICLE** TO READ AS FOLLOWS [EFFECTIVE JULY 1,  
 28 2007]:

### 29           **ARTICLE 24. UNIVERSITY OF SOUTHERN INDIANA**

#### 30           **Chapter 1. Definitions**

31           [New] **Sec. 1. The definitions in this chapter apply throughout**  
 32 **this article.**

33           [20-12-64-1] ~~Sec. 1. 2. As used in this chapter, "Board of trustees"~~  
 34 ~~refers to the University of Southern Indiana board of trustees.~~

35           [20-12-64-2] ~~Sec. 2. 3. As used in this chapter, "Regional campus"~~  
 36 ~~means Indiana State University - Regional Campus Evansville, a~~  
 37 ~~regional campus managed by the Indiana State University board of~~  
 38 ~~trustees before July 1, 1985.~~

39           [20-12-64-3] ~~Sec. 3. As used in this chapter, "university" refers to~~  
 40 ~~the University of Southern Indiana.~~

#### 41           **Chapter 2. Creation**

42           ~~Sec. 4. 1. [20-12-64-4] There is established a body corporate and~~  
 43 ~~politic with the name University of Southern Indiana.~~

#### 44           **Chapter 3. Board of Trustees**

45           [20-12-64-6] ~~Sec. 6. 1. The authority to manage the university is~~  
 46 ~~vested in the board of trustees.~~



1 [20-12-64-7(a)] Sec. 7. ~~2. (a)~~ The board of trustees consists of nine  
 2 (9) members who shall serve ~~staggered~~ terms of four (4) years.  
 3 However, the term of a student member required by subsection (c)  
 4 shall serve a term of the board of trustees is two (2) years.

5 [20-12-64-7(b)] ~~(b)~~ Sec. 3. Each member of the board of trustees  
 6 must be a citizen of the United States and a resident of Indiana.

7 [20-12-64-7(c)] ~~(c)~~ Sec. 4. The board of trustees must include at  
 8 least the following:

9 (1) One (1) member who is an alumnus of the University of  
 10 Southern Indiana or an alumnus of the regional campus.

11 (2) One (1) member who is a full-time student in good standing  
 12 enrolled in the University of Southern Indiana.

13 (3) One (1) member who is a resident of Vanderburgh County.

14 [20-12-64-8] Sec. 8. ~~5. (a)~~ The governor shall appoint the members  
 15 of the board of trustees.

16 (b) If a vacancy occurs during the term of any member, the governor  
 17 shall appoint an individual to serve the unexpired term of the vacating  
 18 member.

19 [20-12-64-9] Sec. 9. ~~6. (a)~~ There is established a screening  
 20 committee of the University of Southern Indiana for the purpose of  
 21 nominating to nominate the alumnus member of the board required by  
 22 section 7 of this chapter. of trustees.

23 (b) The screening committee described in subsection (a) consists of  
 24 five (5) members appointed by the executive body of the university  
 25 alumni association designated by the board of trustees.

26 (c) Within seventy-five (75) days after the date that a vacancy  
 27 occurs on the board of trustees for the alumnus member, required by  
 28 section 7 of this chapter, the screening committee described in  
 29 subsection (a) shall submit a list of at least three (3) names of eligible  
 30 individuals to a person designated by the board of trustees.

31 (d) When the names are received by the person designated by the  
 32 board of trustees, the designated person shall submit the names to the  
 33 governor.

34 ~~(d)~~ (e) The governor shall appoint the alumnus member of the board  
 35 required under section 7 of this chapter of trustees from the list of  
 36 names submitted under subsection (e): (d). However, if the governor  
 37 does not receive the names of at least three (3) eligible individuals  
 38 under subsection (c) (d) within ninety (90) days after the alumnus  
 39 member vacancy on the board occurs, the governor may appoint any  
 40 individual who is otherwise eligible under section 7 of this chapter to  
 41 serve as the alumnus member of the board of trustees.

42 [20-12-64-10] Sec. ~~10~~ 7. (a) There is established a screening  
 43 committee of the University of Southern Indiana for the purpose of  
 44 nominating the student member of the board required by section 7 of  
 45 this chapter. of trustees.

46 (b) The screening committee consists of:



(1) four (4) students enrolled in the university who are appointed by the student governing body designated by the board of **trustees**; and

(2) one (1) individual appointed by the governor.

(c) Within seventy-five (75) days after the date that a vacancy occurs on the board of **trustees** for the student member, ~~required by section 7 of this chapter~~, the screening committee ~~described in subsection (a)~~ shall submit a list of at least ten (10) names of eligible individuals to a person designated by the board of **trustees**.

(d) When the names are received by the person designated by the board of **trustees**, the designated person shall submit the names to the governor.

~~(d)~~ (e) The governor shall appoint the student member of the board ~~required by section 7 of this chapter of trustees~~ from the list of names submitted under subsection ~~(c)~~ (d). However, if the governor does not receive the names of at least ten (10) eligible individuals under subsection ~~(c)~~ (d) within ninety (90) days after the date that the student member vacancy on the board of **trustees** occurs, the governor may appoint an individual who is otherwise eligible under ~~section 7 of this chapter~~ to serve as the student member of the board of **trustees**.

#### **Chapter 4. Officers; Meetings**

[20-12-64-11] Sec. ~~11~~ 1. The board shall adopt bylaws governing:

(1) the election of its officers;

(2) the conduct of its meetings and its other internal affairs; and

(3) the appointment and duties of a president, a treasurer, and other executive officers of the University of Southern Indiana.

SECTION 36. IC 21-25 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]:

#### **ARTICLE 25. VINCENNES UNIVERSITY**

##### **Chapter 1. General Provisions; Definitions**

[New] Sec. 1. The definitions in this chapter apply throughout this article.

[New] Sec. 2. "Board of trustees" refers to the board of trustees of Vincennes University.

[New] Sec. 3. "Trustee" refers to a member of the board of trustees.

##### **Chapter 2. Creation**

[23-13-18-1 (a)] Sec. 1. ~~(a)~~ There is instituted and incorporated Vincennes University.

[23-13-18-1 (b) (part)] ~~(b)~~ Sec. 2. There is created a body corporate and politic, by the name of "the board of trustees for the Vincennes University" that is ordained, constituted, and declared to be forever a body politic and corporate, in fact and in name.

##### **Chapter 3. Board of Trustees**

[23-13-18-4 (a) (part)] Sec. ~~4~~ ~~(a)~~ 1. The board of trustees of



~~Vincennes University shall consist~~ **consists** of ten (10) trustees.

[23-13-18-4 (a) (part)] **Sec. 2.** Nine (9) **members of the board of trustees** shall be appointed by the governor, one (1) of whom must be a resident of Knox County and one (1) must be an alumnus of Vincennes **University**. In addition, the governor shall appoint one (1) trustee who is a full-time student of ~~the university~~ **Vincennes University** during ~~his~~ **the student's** term.

[23-13-18-4 (b)] ~~(b)~~ **Sec. 3. (a)** To aid the governor in the selection of the student member **of the board of trustees**, a search and screen committee is created. ~~The search and screening committee consisting~~ **consists of:**

(1) one (1) representative of the governor; and

(2) at least four (4) students chosen by the elected student government representatives of the student body.

(b) The **search and screening** committee shall establish the mode and criteria to be used in the selection of student nominees to serve on the board of trustees.

(c) The **search and screening** committee shall submit a list of ~~the names of~~ at least five (5) **names individuals** to the governor for ~~his~~ consideration.

(d) The governor shall select one (1) of these ~~names individuals~~ for appointment as a trustee ~~of the university~~ in accordance with ~~the provisions of~~ this chapter.

[23-13-18-4 (d) (part)] ~~(d)~~ **Sec. 4.** The term of each appointed trustee ~~shall be for~~ **is** three (3) years. ~~except that~~ **However, the term** of the student appointee ~~who shall serve a~~ **is** one (1) year. ~~term.~~

[23-13-18-4 (d) (part)] **Sec. 5.** ~~When~~ **If** a vacancy occurs in the membership of the board of trustees, ~~such the~~ vacancy shall be filled by the board **of trustees** for the unexpired term.

[23-13-18-4 (d) (part)] **Sec. 6.** The appropriate number of appointive trustees shall be appointed ~~prior to~~ **before** the first Monday of October of each year. ~~and that~~ **The** first Monday ~~shall be~~ **is** the first day of their terms.

[23-13-18-4 (c)] ~~(c)~~ **Sec. 7.** There shall be **the following** four (4) ex officio members of the board **of trustees:**

(1) The president of the university.

(2) The superintendent of the Vincennes Community School Corporation.

(3) The superintendent of the South Knox School Corporation.  
~~and~~

(4) The superintendent of the North Knox School Corporation.

#### **Chapter 4. Officers; Audit**

[23-13-18-6 (part)] ~~Sec. 6.~~ **1.** The **board of** trustees at their first stated meeting shall elect a president out of their own body. ~~and~~

[23-13-18-6 (part)] **Sec. 2.** ~~In case of his~~ **If the president absence** ~~at is absent from~~ any future stated or extraordinary meeting, the ~~said~~



1 **board of trustees** shall elect a president pro tempore.

2 [23-13-18-11] ~~Sec. 11:~~ (a) ~~The said trustees shall use their utmost~~  
 3 ~~endeavors to induce the said aborigines to send their children to the~~  
 4 ~~said university; for education; who when sent; shall be maintained;~~  
 5 ~~clothed; and educated; at the expense of the said university.~~

6 (b) ~~The students; whenever the funds of the university shall; in the~~  
 7 ~~opinion of the trustees permit it; be educated gratis at the said~~  
 8 ~~university; in all or any of the branches of education which they may~~  
 9 ~~require.~~

10 [23-13-17-3] Sec. 3. The accounts and financial affairs of Vincennes  
 11 University ~~shall be~~ **are** subject to inspection and examination by the  
 12 state examiner.

### 13 **Chapter 5. Meetings; Quorum**

14 [23-13-18-4 (e) (part)] ~~(e)~~ **Sec. 1.** The annual meeting of the board  
 15 **of trustees** shall be held on the first Monday of October of each year.

16 [23-13-18-4 (e) (part)] **Sec. 2.** Special meetings may be called by  
 17 the president of the board **of trustees** or by any four (4) trustees.

18 [23-13-18-4 (f)] ~~(f)~~ **Sec. 3.** Six (6) trustees ~~shall~~ constitute a quorum  
 19 at any regular or special meeting of the board **of trustees**.

20 SECTION 37. IC 21-26 IS ADDED TO THE INDIANA CODE AS  
 21 A **NEW** ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1,  
 22 2007]:

## 23 **ARTICLE 26. REGIONAL CAMPUSES**

### 24 **Chapter 1. General Provisions; Definitions**

25 [New] **Sec. 1.** The definitions in this chapter apply throughout  
 26 this article.

27 [New] **Sec. 2.** "Advisory board" refers to the Indiana  
 28 University-Purdue University Calumet region campus advisory  
 29 board established by IC 21-26-2-1.

30 [New] **Sec. 3.** "Calumet regional campuses" means the regional  
 31 campuses of Indiana University and Purdue University located in  
 32 the cities of Hammond, Gary, and East Chicago.

### 33 **Chapter 2. Calumet Region Campus Advisory Board**

34 [20-12-16-1 (part)] **Sec. 1.** There is ~~hereby created~~ **established** an  
 35 advisory board for the **Calumet** regional campuses of Indiana  
 36 University and Purdue University. ~~located in the cities of Hammond,~~  
 37 ~~Gary, and East Chicago.~~

38 [20-12-16-1 (part)] **Sec. 2.** The **advisory** board shall be known as  
 39 the Indiana University-Purdue University Calumet region campus  
 40 advisory board. ~~It shall be composed~~

41 [20-12-16-1 (part)] **Sec. 3.** The advisory board consists of the  
 42 **following** five (5) members appointed by the governor:

- 43 (1) One (1) member ~~shall be who is~~ a resident of Porter County.
- 44 (2) One (1) **member who is** a resident of Newton County. ~~and~~
- 45 (3) Three (3) members **who are** residents of Lake County.

46 [20-12-16-2] ~~Sec. 2:~~ **4.** ~~Initially; one (1) member shall be appointed~~





for a one (1) year term; one (1) member for a two (2) year term; one (1) member for a three (3) year term and the remaining two (2) members shall each be appointed for a four (4) year term; thereafter all Members **Each member of the advisory board** shall serve for terms a term equal to the greater of the following:

(1) Four (4) years. each until their successors are

(2) **The date when the member's successor is** appointed and have qualified.

[20-12-16-3 (part)] Sec. 3- **5.** The **advisory** board shall serve in an advisory capacity to the ~~boards~~ **board** of trustees of Indiana University and **the board of trustees of** Purdue University in the operation of the **campus or Calumet regional** campuses. ~~located in the above area.~~

[20-12-16-4 (part)] Sec. 4- **6.** ~~Subsequent to their~~ **After the** appointment of the members of the **advisory board** and upon call of the governor, the **advisory** board shall meet and elect a president, vice-president, and secretary.

[20-12-16-5] Sec. 5- **7.** The secretary of the **advisory** board shall **do the following:**

(1) ~~Keep a true and faithful~~ **an accurate** record of ~~all of the~~ **advisory board's** proceedings in a suitable book procured by the **advisory** board for that purpose. ~~He shall~~

(2) Make ~~such~~ copies and transcripts of the orders and proceedings of the **advisory** board as ~~may from time to time be required;~~ and transmit copies of ~~these the~~ records to the ~~boards~~ **board** of trustees of Indiana University and **the board of trustees of** Purdue University.

[20-12-16-3 (part)] Sec. 8. The **advisory** board shall meet ~~no less than~~ **at least** four (4) times each year and ~~shall~~ submit ~~their~~ its recommendations in writing to the board of trustees of ~~the~~ **Indiana** University ~~of Indiana~~ and **the board of trustees of** Purdue University.

[20-12-16-4 (part)] Sec. 9. The president of the **advisory** board shall call all required meetings ~~or any other~~ and **may call additional** meetings. ~~that to him seem advisable; and~~ The vice-president of the **advisory** board shall act as ~~the~~ president officer ~~whenever~~ if the president is unable to attend.

[20-12-16-4 (part)] Sec. 10. Three (3) members ~~shall~~ of the **advisory** board constitute a quorum for the transaction of business.

[20-12-16-6 (part)] Sec. 6- **11.** ~~Beginning in 1971; and~~ Biennially, ~~thereafter,~~ the **advisory** board shall submit to the ~~boards~~ **board** of trustees of Indiana University and **the board of trustees of** Purdue University its recommendations for a budget covering the operating and other expenses of the ~~respective~~ **Calumet** regional campuses. ~~and~~ The ~~boards~~ **board** of trustees of **Indiana University** shall submit ~~these~~ **respective** the recommendations to the fiscal officers for ~~the~~ **Indiana** University ~~or universities~~ for their consideration. **The board of trustees of Purdue University shall submit the recommendations to**



the fiscal officers for Purdue University for their consideration.

[20-12-16-6 (part)] **Sec. 12.** ~~Nothing in~~ This chapter ~~shall be construed to does not~~ prohibit either Indiana ~~and/or~~ University or Purdue universities **University** from submitting proposed budgets to the ~~state~~ budget agency for the operation of the **Calumet** regional campuses. ~~but such~~ **However**, the recommendations made to the budget agency for the operation of the **Calumet** regional campuses ~~shall must~~ have affixed the recommendations of the ~~Calumet region campus advisory advisory~~ board.

### **Chapter 3. Degree Programs; Calumet Region Campuses**

[20-12-16-7 (part)] **Sec. 7. 1.** The ~~boards~~ **board** of trustees of Indiana University and ~~the board of trustees of~~ Purdue University or ~~their the board of trustees'~~ agents, singly or together, shall grant and confer ~~such~~ degrees in the liberal arts and sciences ~~as that~~ are usually granted and conferred in other colleges and universities in ~~America;~~ **the United States**, to the students of ~~above the~~ **Calumet** regional ~~campus or~~ campuses who **are entitled to a degree** by their proficiency in learning or other meritorious distinction. ~~may be entitled to the same;~~ and ~~grant to such graduates;~~ **The diplomas or and certificates must:**

(1) **contain under** the common seal of the ~~university state educational institution~~ from which the student completed ~~his the~~ **student's** course of study, and

(2) **be signed by** the faculty to authenticate and perpetuate the memory of ~~such the~~ graduation. ~~No~~

[20-12-16-7 (part)] **Sec. 2.** Attendance at ~~any other a~~ campus or campuses ~~shall be other than a~~ **Calumet regional campus is not** required as a condition of the awarding of ~~this a~~ diploma or certificate **under this chapter.**

[20-12-16-8] **Sec. 8. 3.** The ~~boards~~ **board** of trustees of Indiana University and ~~the board of trustees of~~ Purdue University or ~~their the board of trustees'~~ agents, singly or together, shall provide a suitable time and place to confer upon the graduate the certificate or diploma provided for in this chapter. ~~provided; however; that~~ The location chosen for the conferring of ~~such the~~ diploma or certificate ~~shall must~~ be adjacent to **a city or the cities** at which the **Calumet** regional ~~campus or~~ campuses are located that offered the complete courses of study towards the earning of ~~such the~~ diploma or certificate. The members of the advisory board ~~of each such university~~ shall be invited and entitled to attend ~~such the~~ conferring of diploma or certificate performance.

### **Chapter 4. Fort Wayne School of Fine Arts**

[20-12-32.5-1] **Sec. 1.** The board of trustees of Indiana University may acquire from the Fort Wayne Art Institute:

(1) any tangible or intangible personal property; and

(2) any real property;

of the Fort Wayne School of Fine Arts ~~as that~~ the board ~~may determine~~



**determines** to be necessary for the operation of the school.

[20-12-32.5-2] Sec. 2. The board of trustees of Indiana University may **do any of the following for the Fort Wayne School of Fine Arts:**

(1) Operate ~~as a part of Indiana University~~ the Fort Wayne School of Fine Arts ~~charging as a part of Indiana University.~~

(2) **Charge** tuition. ~~granting~~

(3) **Grant** degrees. ~~and leasing~~

(4) **Lease** property. ~~as the board deems advisable.~~

SECTION 38. IC 21-27 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]:

## **ARTICLE 27. STATE EDUCATIONAL INSTITUTIONS: GENERAL POWERS**

### **Chapter 1. General Provisions; Definitions**

[20-12-1-1] Sec. 1. It is the purpose of ~~this chapter~~ **the covered statutes** to recognize and define certain powers, duties, and responsibilities of the boards of trustees of ~~the several universities of the state of Indiana which are supported by appropriations made by the general assembly.~~ **educational institutions.** The powers, duties, and responsibilities referred to by ~~this chapter~~ **the covered statutes** are not intended to include all powers, duties, and responsibilities of the ~~several boards and of trustees. Nothing contained in this act~~ **The covered statutes shall may not be deemed construed** to diminish or abrogate any other ~~of the powers, duties, power, duty, or responsibilities~~ **responsibility** of the respective boards ~~a board of trustees specifically conferred by statute or properly implied thereby.~~ **from any other statute.**

[20-12-1-5] Sec. ~~5:~~ **2.** ~~Nothing in This chapter shall~~ **The covered statutes may not be deemed construed** to discourage or disparage the status of students, faculty, and other persons or the valid concerns of the public in matters of policy and of management of ~~the universities of this state~~ **educational institutions.**

[20-12-1-6] Sec. ~~6:~~ The provisions of this chapter shall be applicable to each university declared after March 15, 1969, by the general assembly to be a university of the state.

[New] Sec. 3. The definitions in this chapter apply throughout **this article.**

### **[New] Sec. 4. "Board of trustees":**

(1) for purposes of IC 21-27-3, refers to the board of trustees of Ball State University;

(2) for purposes of IC 21-27-4, refers to the board of trustees of Indiana University;

(3) for purposes of IC 21-27-5, refers to the board of trustees of Indiana State University;

(4) for purposes of IC 21-27-6, refers to the board of trustees



of Ivy Tech Community College;

(5) for purposes of IC 21-27-7, refers to the board of trustees of Purdue University;

(6) for purposes of IC 21-27-8, refers to the board of trustees of the University of Southern Indiana; and

(7) for purposes of IC 21-27-9, refers to the board of trustees of Vincennes University.

[20-12-1-2(a) (part)] **Sec. 5. "Covered statutes" refers to the following:**

(1) IC 21-14-2-1.

(2) IC 21-15-2-1.

(3) IC 21-15-2-2.

(4) IC 21-27-2-1.

(5) IC 21-28-2-1.

(6) IC 21-29-2-1.

(7) IC 21-31-2-1.

(8) IC 21-31-4-1.

(9) IC 21-31-4-2.

(10) IC 21-31-4-3.

(11) IC 21-31-9-2.

(12) IC 21-38-3-1.

(13) IC 21-38-3-2.

(14) IC 21-38-4-1.

(15) IC 21-39-2-1.

(16) IC 21-39-2-2.

(17) IC 21-39-2-3.

(18) IC 21-39-2-4.

(19) IC 21-39-2-5.

(20) IC 21-40-3-1.

(21) IC 21-41-2-1.

## **Chapter 2. Board of Trustees; General Responsibilities**

[20-12-1-4 (part)] **Sec. 4. 1. The individual governing boards are board of trustees of a state educational institution is responsible to fulfill the powers and duties conferred upon each the board of trustees by law.**

## **Chapter 3. Ball State University**

[New] **Sec. 1. This chapter applies only to Ball State University.**

[20-12-57.5-11(a)] ~~(a)~~ **Sec. 2. The board of trustees may manage, control, and operate Ball State University.**

[20-12-57.5-11(k)] ~~(k)~~ **Sec. 3. The board of trustees may promulgate rules and regulations. pursuant to this chapter;**

[20-12-57.5-11(l)] ~~(l)~~ **exercise all powers, rights, privileges and duties conferred upon the board by other laws of the General Assembly; and**

[20-12-57.5-11(b)] ~~(m)~~ **to Sec. 3. 4. The board of trustees possess possesses all other power not otherwise specified by law in order to**



efficiently operate the affairs of Ball State University.

**Chapter 4. Indiana University**

[New] **Sec. 1. This chapter applies only to Indiana University.**

[20-12-23-2(c) (part)] **Sec. 2. The board of trustees may in the name of "The Trustees of Indiana University" in that name to sue and be sued.**

[20-12-23-2(c) (part)] **Sec. 3. The board of trustees may make all bylaws necessary to carry into effect the powers hereby conferred on the board of trustees.**

**Chapter 5. Indiana State University**

[New] **Sec. 1. This chapter applies only to Indiana State University.**

[20-12-56-2 (part)] **Sec. 2. with power to The board of trustees may sue and be sued.**

[20-12-56-5(a)] **Sec. 5. 3. (a)** All powers, rights, privileges, duties, and obligations, statutory, contractual, or of whatever kind conferred by law upon the State Teachers College board or Indiana State College board:

(1) for the operation, maintenance, and financing of Indiana State University and its properties and facilities; or

(2) otherwise pertaining ~~thereto~~, **to the operation, maintenance, and financing of Indiana State University;**

~~are hereby transferred and shall apply after June 30, 1961, to the Indiana State University board of trustees. created by this chapter and shall remain in full force and unchanged; notwithstanding the change of name of said college.~~

[20-12-56-5(b)] ~~(b)~~ All laws of a general nature referring to Indiana State Normal School; the board of trustees of Indiana State Normal School; Indiana State Teachers College; the State Teachers College Board; Indiana State College; the Indiana State College board; and to any public state normal school of the state apply to Indiana State University and the Indiana State University board of trustees with equal force and effect.

**Chapter 6. Ivy Tech Community College**

[New] **Sec. 1. This chapter applies only to Ivy Tech Community College.**

[20-12-61-5(b) (part)] ~~(b)~~ **Sec. 2. The state board of trustees of Ivy Tech Community College** has responsibility for the management and policies of Ivy Tech **Community College** and its regional institutes within the framework of laws enacted by the general assembly.

[20-12-61-13(a)(8) (part)] ~~(8)~~ **Sec. 3. The board of trustees of Ivy Tech Community College may** prescribe rules for the effective operation of a statewide program. ~~and~~

[20-12-61-13(a)(8) (part)] **Sec. 4. The board of trustees of Ivy Tech Community College may** exercise ~~other~~ powers **not otherwise specified by law** that are necessary for the efficient management of ~~the~~



1 a statewide program.

2 [20-12-61-14] ~~Sec. 14.~~ **Sec. 5.** The expenses of the ~~state~~ board of  
3 **trustees of Ivy Tech Community College** and of the statewide  
4 programs operated by it for:

- 5 (1) construction of facilities;
- 6 (2) procurement of equipment; and
- 7 (3) operating expenses;

8 shall be financed by appropriations from the general assembly and  
9 federal funds, together with ~~such~~ the fees and charges, contractual  
10 income, gifts, grants, and bequests as may become available.

11 [20-12-61-13(a)(10) ] ~~(10)~~ **Sec. 6. The board of trustees of Ivy**  
12 **Tech Community College may** authorize, approve, enter into, ratify,  
13 or confirm any agreement relating to a statewide program or a regional  
14 institute with:

- 15 (1) the United States government, acting through any agency of  
16 the government designated or created to aid in the financing of  
17 ~~such~~ the projects; or with
- 18 (2) any person, organization, or agency offering contracts or  
19 grants-in-aid financing the educational facilities or the operation  
20 of the facilities and programs.

#### 21 **Chapter 7. Purdue University**

22 [New] **Sec. 1. This chapter applies only to Purdue University.**

23 [20-12-36-4 (part)] **Sec. 2. The board of trustees of Purdue**  
24 **University may** organize ~~said~~ Purdue University in conformity with  
25 the purposes set forth in ~~said~~ Act of Congress, **approved July 2, 1862,**  
26 **entitled "An act donating public lands to the several states and**  
27 **territories which may provide colleges for the benefit of agriculture**  
28 **and the mechanic arts".**

29 [20-12-36-4 (part)] ~~Sec. 3. They~~ **Sec. 3. The board of trustees of Purdue**  
30 **University shall** provide a seal.

31 [20-12-36-4 (part)] **Sec. 4. The board of trustees of Purdue**  
32 **University may** do all acts necessary and expedient to put and keep  
33 ~~said~~ Purdue University in operation. ~~and~~

34 [20-12-36-4 (part)] **Sec. 5. The board of trustees of Purdue**  
35 **University may** make all bylaws, rules, and regulations required or  
36 proper to conduct and manage ~~the same.~~ **Purdue University.**

#### 37 **Chapter 8. University of Southern Indiana**

38 [New] **Sec. 1. This chapter applies only to the University of**  
39 **Southern Indiana.**

40 [20-12-64-5(10)] ~~Sec. 5.~~ **Sec. 2. The University of Southern Indiana**  
41 **may do the following:** ~~(10)~~ engage in research or public service that  
42 furthers an educational purpose.

43 [20-12-64-5(11)] ~~(11)~~ **Sec. 3. The University of Southern Indiana**  
44 **may** exercise all powers, rights, privileges, and duties conferred upon  
45 the **University of Southern Indiana** or the **board of trustees** by any  
46 statute enacted by the general assembly.



1 [20-12-64-5(12)]~~(12)~~ **Sec. 4. The University of Southern Indiana**  
 2 **may adopt rules to carry out this chapter: its powers and duties.**

3 [20-12-64-5(13)]~~(13)~~ **Sec. 5. The University of Southern Indiana**  
 4 **may exercise all other powers necessary to conduct efficiently the**  
 5 **affairs of the University of Southern Indiana.**

6 **Chapter 9. Vincennes University**

7 [New] **Sec. 1. This chapter applies only to Vincennes University.**

8 [23-13-18-1(b) (part)] **Sec. 2. and The board of trustees shall must**  
 9 **be persons in law capable of:**

- 10 (1) suing and being sued;
- 11 (2) pleading and being impleaded;
- 12 (3) answering and being answered unto; and
- 13 (4) defending and being defended, in all courts and places,
- 14 ~~whatsoever~~, in all manner of actions, suits, complaints, matters,
- 15 and causes. ~~whatsoever~~.

16 [23-13-18-1(c)(1)] ~~(c)~~ **Sec. 3.** The board of trustees may ~~(1)~~ have a  
 17 common seal and make and alter the ~~same~~ seal at their pleasure.

18 [23-13-18-5(1)] ~~(1)~~ **Sec. 4. The board of trustees may make such**  
 19 **the bylaws and regulations in writing, not inconsistent with this**  
 20 **chapter, with the laws of Indiana, or of the United States, as to them**  
 21 **shall appear that the board of trustees determines** necessary for the  
 22 good government of ~~the said~~ Vincennes University, and the students  
 23 thereof; ~~and of Vincennes University.~~ The ~~same to be~~ board of  
 24 trustees may:

- 25 (1) put the bylaws and regulations in execution;
- 26 (2) revoke and alter the bylaws and regulations; and
- 27 (3) make ~~anew~~ new bylaws and regulations;

28 ~~as to them shall appear that the board of trustees determines~~  
 29 ~~necessary. and~~

30 [23-13-18-8(9)] ~~(9)~~ **Sec. 5. The board of trustees may generally to**  
 31 **do all lawful matters and things whatsoever, necessary for the**  
 32 **maintaining and supporting the institution Vincennes University and**  
 33 **for the more extensive communication of useful knowledge.**

34 SECTION 39. IC 21-28 IS ADDED TO THE INDIANA CODE AS  
 35 A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1,  
 36 2007]:

37 **ARTICLE 28. STATE EDUCATIONAL INSTITUTIONS:**  
 38 **COOPERATIVE ARRANGEMENTS, INTERSTATE**  
 39 **COMPACTS; EDUCATIONAL SUPPORT ENTITIES**

40 **Chapter 1. General Provisions; Definitions**

41 [New] **Sec. 1. The definitions in this chapter apply throughout**  
 42 **this article.**

43 [New] **Sec. 2. "Agreement", for purposes of IC 21-28-4, refers**  
 44 **to an agreement entered into under IC 21-28-4 by the board of**  
 45 **trustees of a state educational institution.**

46 [20-12-12-1(b) (part)] **Sec. 3. "Chief information officer" means**



the chief information officer of the office of technology appointed under IC 4-13.1-2-3.

[20-12-73-1] Sec. ~~4~~. ~~As used in this chapter,~~ "Commission" refers to the Midwestern Higher Education Commission.

[New] Sec. 5. **"Compact" refers to the Midwestern Higher Education Compact established by IC 21-28-3.**

[New] Sec. 6. **"Coordinating unit" refers to the committee or body established under IC 21-28-5-8 to coordinate use of the transmission system or the designated electronic format, or both.**

[New] Sec. 7. **"Designated electronic format" refers to the electronic format established under IC 21-28-5-3.**

[20-12-12-1(a)]~~(a)~~ Sec. 8. "Electronic format" means a format using the most appropriate technological medium.

[IC 20-12-65-1(a)] Sec. ~~8~~. ~~(a) As used in this chapter,~~ "Enabling statute" means the following:

(1) In the case of the Ball State University board of trustees, one

(1) or more of the following:

~~IC 20-12-5-5. IC 21-33.~~

~~IC 20-12-6. IC 21-34.~~

~~IC 20-12-7. IC 21-35-2.~~

~~IC 20-12-8. IC 21-35-3.~~

~~IC 20-12-9. IC 21-35-5.~~

~~IC 20-12-14. IC 20-24.5-2.~~

(2) In the case of the trustees of Indiana University, one (1) or more of the following:

~~IC 20-12-5-5. IC 21-33.~~

~~IC 20-12-6. IC 21-34.~~

~~IC 20-12-7. IC 21-35-2.~~

~~IC 20-12-8. IC 21-35-3.~~

~~IC 20-12-9. IC 21-35-5.~~

~~IC 20-12-14. IC 20-24.5-2.~~

(3) In the case of the Indiana State University board of trustees, one (1) or more of the following:

~~IC 20-12-5-5. IC 21-33.~~

~~IC 20-12-6. IC 21-34.~~

~~IC 20-12-7. IC 21-35-2.~~

~~IC 20-12-8. IC 21-35-3.~~

~~IC 20-12-9. IC 21-35-5.~~

~~IC 20-12-14. IC 20-24.5-2.~~

(4) In the case of the trustees of Ivy Tech Community College, ~~of Indiana,~~ one (1) or more of the following:

~~IC 20-12-5-5. IC 21-33.~~

~~IC 20-12-6. IC 21-34.~~

(5) In the case of the trustees of Purdue University, one (1) or more of the following:

~~IC 20-12-5-5. IC 21-33.~~





1 ~~IC 20-12-6. IC 21-34.~~

2 ~~IC 20-12-7. IC 21-35-2.~~

3 ~~IC 20-12-8. IC 21-35-3.~~

4 ~~IC 20-12-9. IC 21-35-5.~~

5 ~~IC 20-12-14. IC 20-24.5-2.~~

6 (6) In the case of the board of trustees for Vincennes University,  
7 one (1) or more of the following:

8 ~~IC 20-12-5.5. IC 21-33.~~

9 ~~IC 20-12-6. IC 21-34.~~

10 ~~IC 23-13-18. IC 21-35-6.~~

11 (7) In the case of the University of Southern Indiana board of  
12 trustees, one (1) or more of the following:

13 ~~IC 20-12-5.5. IC 21-33.~~

14 ~~IC 20-12-6. IC 21-34.~~

15 ~~IC 20-12-7. IC 21-35-2.~~

16 ~~IC 20-12-9. IC 21-35-5.~~

17 (b) As used in this chapter, "qualified institution" means any of the  
18 following:

19 (1) Ball State University board of trustees;

20 (2) Trustees of Indiana University;

21 (3) Indiana State University board of trustees;

22 (4) Trustees of Ivy Tech Community College of Indiana;

23 (5) Trustees of Purdue University;

24 (6) Board of trustees for Vincennes University;

25 (7) University of Southern Indiana board of trustees;

26 [New] Sec. 10. "Fund" refers to the higher education statewide  
27 telecommunications fund established in IC 21-28-5-13.

28 [20-12-12-1(b) (part)] (b) Sec. 11. As used in this chapter,

29 (1) "chief information officer" means the chief information officer  
30 of the office of technology appointed under IC 4-13.1-2-3; and

31 (2) "Office of technology" refers to the office of technology  
32 established by IC 4-13.1-2-1.

33 [New] Sec. 12. "Participating educational institution" refers to  
34 a state educational institution or private educational institution  
35 that participates in a joint arrangement under IC 21-28-5.

36 [New] Sec. 13. "Separate legal entity" refers to a separate legal  
37 entity established under an agreement under IC 21-28-4 to carry  
38 out the purposes of an agreement.

39 [New] Sec. 14. "Transmission system" refers to services and a  
40 telecommunication system provided under an arrangement entered  
41 into under IC 21-28-5-2.

## 42 Chapter 2. Cooperative Arrangements

43 [20-12-1-2(a)(9)] (9) ~~to~~ Sec. 1. (a) This section applies to the  
44 board of trustees of the following state educational institutions:

45 (1) Ball State University.

46 (2) Indiana University.



1           **(3) Indiana State University.**

2           **(4) Purdue University.**

3           **(5) University of Southern Indiana.**

4           **(b) The board of trustees of a state educational institution may**  
5 cooperate with other **educational** institutions to ~~the end of better~~  
6 ~~assuring~~ **assure** the availability and ~~utilization~~ **use** of **the state**  
7 **educational institution's** total resources and opportunities to provide  
8 excellent educational opportunity for all persons.

9           [20-12-64-5(3) (part)] **Sec. 2. The University of Southern Indiana**  
10 **may** ~~(3)~~ enter into cooperative agreements with other educational  
11 institutions, including agreements leading to the use of the University  
12 **of Southern Indiana** as a host site for an educational program  
13 administered by another college or university.

14           **Chapter 3. Midwestern Higher Education Compact**

15           [20-12-73-2] ~~Sec. 2.~~ **1.** The Midwestern Higher Education Compact  
16 is enacted into law and entered into by the state of Indiana with all  
17 other jurisdictions legally joining the compact in the form substantially  
18 as provided in sections ~~3~~ **2** through ~~10~~ **9** of this chapter.

19           [20-12-73-3] ~~Sec. 3.~~ **2. ARTICLE I. PURPOSE.** The purpose of the  
20 Midwestern Higher Education Compact ~~shall be~~ **is** to provide greater  
21 higher education opportunities and services in the midwestern region,  
22 with the aim of furthering regional access to, research in, and choice of  
23 higher education for the citizens residing in the several states which are  
24 parties to this Compact.

25           [20-12-73-4] ~~Sec. 4.~~ **3. ARTICLE II. THE COMMISSION.** (a) The  
26 compacting states hereby create the Midwestern Higher Education  
27 Commission, hereinafter called the Commission. The Commission  
28 shall be a body corporate of each compacting state. The Commission  
29 shall have all the responsibilities, powers, and duties set forth herein,  
30 including the power to sue and be sued, and such additional powers as  
31 may be conferred upon it by subsequent action of the respective  
32 legislatures of the compacting states in accordance with the terms of  
33 this Compact.

34           (b) The Commission shall consist of five (5) resident members of  
35 each state as follows: the governor or the governor's designee who shall  
36 serve during the tenure of office of the governor; two (2) legislators,  
37 one (1) from each house (except Nebraska, which may appoint two (2)  
38 legislators from its Unicameral Legislature), who shall serve two (2)  
39 year terms and be appointed by the appropriate appointing authority in  
40 each house of the legislature; and two (2) other at-large members, at  
41 least one (1) of whom shall be selected from the field of higher  
42 education. The at-large members shall be appointed in a manner  
43 provided by the laws of the appointing state. One (1) of the two (2)  
44 at-large members initially appointed in each state shall serve a two (2)  
45 year term. The other member, and any regularly appointed successor to  
46 either at-large member, shall serve a four (4) year term. All vacancies



1 shall be filled in accordance with the laws of the appointing states. Any  
 2 commissioner appointed to fill a vacancy shall serve until the end of  
 3 the incomplete term.

4 (c) The Commission shall select annually, from among its members,  
 5 a chairperson, a vice chairperson, and a treasurer.

6 (d) The Commission shall appoint an executive director who shall  
 7 serve at the Commission's pleasure and who shall act as secretary to the  
 8 Commission. The treasurer, the executive director, and such other  
 9 personnel as the Commission may determine shall be bonded in such  
 10 amounts as the Commission may require.

11 (e) The Commission shall meet at least once each calendar year. The  
 12 chairperson may call additional meetings and upon the request of a  
 13 majority of the Commission members of three (3) or more compacting  
 14 states, shall call additional meetings. Public notice shall be given of all  
 15 meetings, and meetings shall be open to the public.

16 (f) Each compacting state represented at any meeting of the  
 17 Commission is entitled to one (1) vote. A majority of the compacting  
 18 states shall constitute a quorum for the transaction of business, unless  
 19 a larger quorum is required by the bylaws of the Commission.

20 [20-12-73-5] Sec. 5-4. ARTICLE III. POWERS AND DUTIES OF  
 21 THE COMMISSION. (a) The Commission shall adopt a seal and  
 22 suitable bylaws governing its management and operations.

23 (b) Irrespective of the civil service, personnel, or other merit system  
 24 laws of any of the compacting states, the Commission in its bylaws  
 25 shall provide for the personnel policies and programs of the Compact.

26 (c) The Commission shall submit a budget to the governor and  
 27 legislature of each compacting state at such time and for such period  
 28 as may be required. The budget shall contain specific recommendations  
 29 of the amount or amounts to be appropriated by each of the compacting  
 30 states.

31 (d) The Commission shall report annually to the legislatures and  
 32 governors of the compacting states, to the Midwestern Governors'  
 33 Conference, and to the Midwestern Legislative Conference of the  
 34 Council of State Governments concerning the activities of the  
 35 Commission during the preceding year. Such reports shall also embody  
 36 any recommendations that may have been adopted by the Commission.

37 (e) The Commission may borrow, accept, or contract for the services  
 38 of personnel from any state or the United States or any subdivision or  
 39 agency thereof, from any interstate agency, or from any institution,  
 40 foundation, person, firm, or corporation.

41 (f) The Commission may accept for any of its purposes and  
 42 functions under the Compact any and all donations and grants of  
 43 money, equipment, supplies, materials, and services (conditional or  
 44 otherwise) from any state or the United States or any subdivision or  
 45 agency thereof, or interstate agency, or from any institution,  
 46 foundation, person, firm, or corporation, and may receive, utilize, and



1 dispose of the same.

2 (g) The Commission may enter into agreements with any other  
3 interstate education organizations or agencies and with higher  
4 education institutions located in nonmember states and with any of the  
5 various states of these United States to provide adequate programs and  
6 services in higher education for the citizens of the respective  
7 compacting states. The Commission shall, after negotiations with  
8 interested institutions and interstate organizations or agencies,  
9 determine the cost of providing the programs and services in higher  
10 education for use of these agreements.

11 (h) The Commission may establish and maintain offices, which shall  
12 be located within one (1) or more of the compacting states.

13 (i) The Commission may establish committees and hire staff as it  
14 ~~deems~~ **considers** necessary for the carrying out of its functions.

15 (j) The Commission may provide for actual and necessary expenses  
16 for attendance of its members at official meetings of the Commission  
17 or its designated committees.

18 [20-12-73-6] Sec. ~~6~~ **5**. ARTICLE IV. ACTIVITIES OF THE  
19 COMMISSION. (a) The Commission shall collect data on the  
20 long-range effects of the Compact on higher education. By the end of  
21 the fourth year from the effective date of the Compact and every two  
22 (2) years thereafter, the Commission shall review its accomplishments  
23 and make recommendations to the governors and legislatures of the  
24 compacting states on the continuance of the Compact.

25 (b) The Commission shall study issues in higher education of  
26 particular concern to the Midwestern region. The Commission shall  
27 also study the needs for higher education programs and services in  
28 compacting states and the resources for meeting such needs. The  
29 Commission shall from time to time prepare reports on such research  
30 for presentation to the governors and legislatures of the compacting  
31 states and other interested parties. In conducting such studies, the  
32 Commission may confer with any national or regional planning body.  
33 The Commission may draft and recommend to the governors and  
34 legislatures of the various compacting states suggested legislation  
35 dealing with problems of higher education.

36 (c) The Commission shall study the need for provision of adequate  
37 programs and services in higher education, such as undergraduate,  
38 graduate, or professional student exchanges in the region. If a need for  
39 exchange in a field is apparent, the Commission may enter into such  
40 agreements with any higher education institution and with any of the  
41 compacting states to provide programs and services in higher education  
42 for the citizens of the respective compacting states. The Commission  
43 shall, after negotiations with interested institutions and the compacting  
44 states, determine the costs of providing the programs and services in  
45 higher education for use in its agreements. The contracting states shall  
46 contribute the funds not otherwise provided, as determined by the



Commission, for carrying out the agreements. The Commission may also serve as the administrative and fiscal agent in carrying out agreements for higher education programs and services.

(d) The Commission shall serve as a clearinghouse on information regarding higher education activities among institutions and agencies.

(e) In addition to the activities of the Commission previously noted, the Commission may provide services and research in other areas of regional concern.

[20-12-73-7] Sec. ~~7~~ **6**. ARTICLE V. FINANCE. (a) The ~~monies~~ **money** necessary to finance the general operations of the Commission not otherwise provided for in carrying forth its duties, responsibilities, and powers as stated ~~herein in this chapter~~ shall be appropriated to the Commission by the compacting states, when authorized by the respective legislatures by equal apportionment among the compacting states.

(b) The Commission shall not incur any obligations of any kind prior to the making of appropriations adequate to meet the same; nor shall the Commission pledge the credit of any of the compacting states, except by and with the authority of the compacting state.

(c) The Commission shall keep accurate accounts of all receipts and disbursements. The receipts and disbursements of the Commission shall be subject to the audit and accounting procedures established under its bylaws. However, all receipts and disbursements of funds handled by the Commission shall be audited yearly by a certified or licensed public accountant, and the report of the audit shall be included in and become part of the annual report of the Commission.

(d) The accounts of the Commission shall be open at any reasonable time for inspection by duly authorized representatives of the compacting states and persons authorized by the Commission.

[20-12-73-8] Sec. ~~8~~ **7**. ARTICLE VI. ELIGIBLE PARTIES AND ENTRY INTO FORCE. (a) The states of Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin ~~shall be~~ **are** eligible to become party to this Compact. Additional states ~~will be~~ **are** eligible if approved by a majority of the compacting states.

(b) As to any eligible party state, this Compact ~~shall become~~ **is** effective when its legislature ~~shall have enacted~~ **enacts** the same into law; ~~provided that however, it shall not become~~ **is not** initially effective until enacted into law by five (5) states prior to December 31, 1995.

(c) Amendments to the Compact shall become effective upon their enactment by the legislatures of all compacting states.

[20-12-73-9] Sec. ~~9~~ **8**. ARTICLE VII. WITHDRAWAL, DEFAULT, AND TERMINATION. (a) Any compacting state may withdraw from this Compact by enacting a statute repealing the Compact, but such withdrawal shall not become effective until two (2)



years after the enactment of such statute. A withdrawing state shall be liable for any obligations which it may have incurred on account of its party status up to the effective date of withdrawal, except that if the withdrawing state has specifically undertaken or committed itself to any performance of an obligation extending beyond the effective date of withdrawal, it shall remain liable to the extent of such obligation.

(b) If any compacting state shall at any time default in the performance of any of its obligations, assumed or imposed, in accordance with the provisions of this Compact, all rights, privileges, and benefits conferred by this Compact or agreements hereunder shall be suspended from the effective date of such default as fixed by the Commission, and the Commission shall stipulate the conditions and maximum time for compliance under which the defaulting state may resume its regular status. Unless such default ~~shall be~~ is remedied under the stipulations and within the time period set forth by the Commission, this Compact may be terminated with respect to such defaulting state by affirmative vote of a majority of the other member states. Any such defaulting state may be reinstated by performing all acts and obligations as stipulated by the Commission.

[20-12-73-10] Sec. ~~10~~ **9**. ARTICLE VIII. SEVERABILITY AND CONSTRUCTION. The provisions of this Compact entered into hereunder shall be severable and if any phrase, clause, sentence, or provision of this Compact is declared to be contrary to the constitution of any compacting state or of the United States or the applicability thereof to any government, agency, person, or circumstance is held invalid, the validity of the remainder of this Compact and the applicability thereof to any government, agency, person, or circumstance shall not be affected thereby. If this Compact entered into hereunder shall be held contrary to the constitution of any compacting state, the Compact shall remain in full force and effect as to the remaining states and in full force and effect as to the state affected as to all severable matters. The provisions of this Compact entered into pursuant hereto shall be liberally construed to effectuate the purposes thereof.

[20-12-73-11] Sec. ~~11~~ **10**. (a) The five (5) residents of Indiana who shall serve as members of the commission representing the state of Indiana are as follows:

(1) The governor or the governor's designee. The term of the governor or the governor's designee is the same as the governor's term of office.

(2) One (1) member of the house of representatives appointed by the speaker of the house of representatives for a two (2) year term. A vacancy occurs if an appointee under this subdivision ceases to be a member of the house of representatives.

(3) One (1) member of the senate appointed by the president pro tempore of the senate for a two (2) year term. A vacancy occurs



if an appointee under this subdivision ceases to be a member of the senate.

(4) Two (2) persons from the field of higher education appointed by the governor as at-large members for a term of four (4) years.

A vacancy occurs if an appointee under this subdivision leaves the field of higher education.

(b) A member serves at the pleasure of the appointing authority and may be removed for any reason.

(c) A member serves until the expiration of the member's term or the appointing authority appoints a successor, whichever is later. However, this subsection does not apply if the vacancy occurs because a member ceases to be the governor or a member of the general assembly.

(d) The appointing authority shall fill a vacancy for the remainder of the term of the vacating member.

#### **Chapter 4. Joint Building and Financing Agreements; Joint Laboratory School Agreements**

[IC 20-12-65-2] Sec. 2: **1.** This chapter applies to all ~~qualified state educational~~ institutions.

[IC 20-12-65-3(c)] ~~(c)~~ **2.** This chapter does not authorize a ~~qualified institution~~ **board of trustees of a state educational institution** to exercise a power under an agreement ~~under this chapter~~ that ~~it~~ **the board of trustees** could not otherwise separately exercise under an enabling statute.

[IC 20-12-65-3(a)] Sec. 3. ~~(a)~~ If:

(1) **the board of trustees of one (1) qualified a state educational institution** wants to exercise a power or powers conferred to it under ~~an~~ **one (1) or more of the state educational institution's** enabling ~~statute~~ **or statutes**; and

(2) **the board of trustees of one (1) or more other qualified state educational institutions** want to exercise a power or powers conferred to it or them under ~~an~~ **one (1) or more** enabling ~~statute~~ **or statutes**;

~~then~~ both or all of those ~~qualified institutions~~ **boards of trustees** may exercise ~~those the~~ powers jointly as provided in ~~subsection (b): this chapter.~~

[IC 20-12-65-3(b)] ~~(b)~~ **4.** ~~Qualified institutions~~ **A board of trustees** that ~~want wants~~ to exercise a ~~power or~~ powers as provided in ~~subsection (a) granted in an enabling act~~ must ~~by resolution~~ enter into a written agreement **by resolution. under section 4 of this chapter.**

[IC 20-12-65-4(a)] Sec. 4: **5.** ~~(a)~~ An agreement: ~~under this section:~~

(1) must provide for the following:

~~(1)~~ (A) Its duration.

~~(2)~~ (B) Its purpose.

~~(3)~~ (C) The manner of:

(i) financing, staffing, and supplying the joint undertaking; and ~~of~~



(ii) establishing and maintaining a budget for the joint undertaking.

~~(4) (D)~~ The methods that may be employed in accomplishing to:

(i) **accomplish** the partial or complete termination of the agreement; and ~~for disposing~~

(ii) **dispose** of property upon partial or complete termination.

~~(5) (E)~~ Administration through a separate legal entity.

**(F) With respect to a separate legal entity:**

(i) the nature;

(ii) **the** organization;

(iii) **the** composition; and

(iv) **the** powers;

~~of which must be provided: the separate legal entity; in addition, such an agreement and~~

**(2)** may provide for any other appropriate matters.

[IC 20-12-65-4(a)] ~~(b)~~ **Sec. 6.** A separate legal entity established by an agreement ~~under this section~~ has only the powers delegated to it by the agreement.

[IC 20-12-65-5] ~~Sec. 5:~~ **7.** Before an agreement ~~under section 4 of this chapter~~ takes effect, a copy of the agreement must be filed with **the board of trustees of each of the qualified institutions state educational institution that are** is a party to the agreement.

[IC 20-12-65-6] ~~Sec. 6:~~ **8.** Not later than sixty (60) days after ~~the an~~ agreement takes effect, a copy of the agreement must be filed with:

(1) the state board of accounts for audit purposes; and

(2) ~~the state~~ budget agency.

## **Chapter 5. Indiana Higher Education Telecommunications System**

[New] **Sec. 1.** This chapter applies to the following:

(1) **A state educational institution.**

(2) **A private educational institution.**

[20-12-12-1(c)] ~~(e)~~ **Sec. 2.** The **board of** trustees of Indiana University, the trustees of Purdue University, the University of Southern Indiana, board of trustees, Ball State University, board of trustees, Indiana State University, board of trustees, the board of trustees of Vincennes University, the board of trustees of Ivy Tech Community College of Indiana, **any combination of state educational institutions** and the board of directors of the independent colleges and universities of Indiana: (referred to collectively in this chapter as **the universities**) ~~are authorized;~~ **any combination of private educational institutions may**, if they find the need exists for a broad dissemination of a wide variety of educational communications for the improvements and the advancement of higher educational opportunity, ~~to~~ jointly arrange, ~~from time to time~~, for a period not exceeding ten (10) years,





for:

- (1) services provided by the office of technology; and ~~for~~
- (2) the use of a multipurpose, multimedia, closed circuit, statewide telecommunications system furnished by communications common carriers subject to the jurisdiction of the utility regulatory commission;

to interconnect the main campuses and the regional campuses of the ~~universities~~ **participating educational institutions** and centers of medical education and service.

[20-12-12-1(d)] ~~(d)~~ **Sec. 3.** In addition to the closed circuit statewide telecommunications system, ~~described in subsection (c);~~ the ~~universities~~ **participating educational institutions** shall establish, in accordance with federal copyright law, programs in an electronic format to provide for the advancement of higher education opportunity and individualized access to higher education programs. ~~As part of~~ The program ~~the universities~~ may make available a wide variety of higher education courses in electronic format. The ~~universities~~ **participating educational institutions** shall make information in an electronic format available to the public by any means of public or private distribution that they determine to be appropriate, including sale or lease. The ~~universities~~ **participating educational institutions** may determine policy and establish procedures ~~in order~~ to administer this program. The ~~universities~~ **participating educational institutions** shall maintain and keep current, **in an electronic format**, a listing of all information. ~~in an electronic format.~~

[20-12-12-1(e)] ~~(e)~~ **Sec. 4.** ~~The A~~ transmission system ~~shall~~ **must** be for the exclusive use of the ~~universities~~ **participating educational institutions**. However, the ~~universities~~ **participating educational institutions** may permit the use of the transmission system, or any part of the transmission system, by others under section ~~4~~ **10** of this chapter.

[20-12-12-2(a)] ~~Sec. 2:~~ **5. (a)** ~~The A~~ transmission system ~~described in section 1(c) of this chapter~~ must be designed to permit the installation of additional capacity and coverage as accumulating communication needs of higher education may require. The system must:

- (1) be capable of transmitting high fidelity television signals, high fidelity sound signals, data signals for computer communications, and voice traffic; and ~~must~~
- (2) include control circuits.

[20-12-12-2(b)] ~~(b)~~ **Sec. 6.** The arrangements for the use of the **transmission** system may be upon terms and conditions as the ~~universities~~ **participating educational institutions** determine are necessary, proper, or desirable.

[20-12-12-2(c)] ~~(c)~~ **Sec. 7.** ~~No plan~~ **Plans** or arrangements for the use of the ~~telecommunications~~ **transmission** system may ~~not~~ be adopted or entered into under this chapter without the specific approval



of the coordinating unit. ~~established under IC 20-12-12-3.~~

[20-12-12-3(a)] Sec. ~~3~~ **8.** (a) The ~~universities~~ **participating educational institutions** shall establish a coordinating ~~unit~~ **committee** or other body composed of persons that the ~~universities~~ **participating educational institutions** select. The chief information officer or the chief information officer's designee shall be a member of any coordinating unit. ~~created under this section. This~~ **The committee or other body coordinating unit has the authority to** may administer and supervise the use of the transmission system and the information in **designated** electronic format ~~described in section 1 of this chapter~~ as may be ~~from time to time~~ delegated to it by the ~~universities~~ **participating educational institutions**. The ~~universities~~ **participating educational institutions** shall have equal representation on the coordinating unit. ~~or body.~~

[20-12-12-3(b)] ~~(b)~~ Sec. ~~9.~~ **There** ~~The participating educational institutions~~ must ~~also be~~ **establish** an advisory council of representatives of users of the transmission system.

[20-12-12-4] Sec. ~~4~~ **10.** (a) Any arrangements for the use of ~~the telecommunication~~ **the transmission** system or ~~the~~ information in ~~the designated~~ electronic format ~~described in section 1 of this chapter~~; must provide that the ~~universities~~ **participating educational institutions** (or any committee or other body established under ~~section 3 of this chapter~~, if ~~the~~ power is ~~so~~ delegated to them) may permit any of the following entities to use the ~~telecommunications~~ **transmission** system or the information in **the designated** electronic format for educational purposes:

- (1) Institutions of higher education.
- (2) Governmental or public corporations or bodies.
- (3) Other corporations.
- (4) Partnerships.
- (5) Associations.
- (6) Trusts.
- (7) Limited liability companies.
- (8) Other persons.

(b) Any use permitted under this section is subject to the rules, regulations, fees, and charges as the ~~universities~~ **committee, or other body participating educational institutions or coordinating unit** may prescribe.

(c) Each entity that uses the transmission system is responsible for the origination of the program to be transmitted by that entity and for the reception and ~~utilization~~ **use** of the program at the destination.

(d) The payment of all costs ~~in excess of that exceed~~ the cost of the use of the transmission system facilities and the information in electronic format shall be borne by the parties using the system as agreed upon.

[20-12-12-5(a)] Sec. ~~5~~ **11.** (a) In connection with the use of the



telecommunications system, the information in **the designated** electronic format, ~~described in section 4 of this chapter~~, or any other related matter, the **universities participating educational institutions** may accept gifts or contributions from individuals, corporations, limited liability companies, partnerships, associations, trusts, or foundations and may accept funds **from any federal agency** under terms and conditions that the **universities participating educational institutions** determine are necessary or desirable. ~~from any federal agency.~~

[20-12-12-5(b)] ~~(b)~~ **Sec. 12.** The **universities participating educational institutions** may enter into and carry out contracts and agreements in connection with this chapter. All contracts and agreements entered into must be approved by the coordinating unit. ~~established by section 3(a) of this chapter.~~

[20-12-12-6] ~~Sec. 6:~~ **13.** (a) ~~A special and distinct fund is hereby created to be known as~~ The higher education statewide telecommunications fund **is established as a special and distinct fund.** Expenditures from the fund may be made only for the following:

(1) Payments by the **universities participating educational institutions** for the use of a **telecommunications transmission system** or the lease, purchase, rental, or production of information in ~~an a designated~~ electronic format. ~~as provided in this chapter.~~

(2) Studies regarding the possibilities of extending the use of the **telecommunications transmission system**: ~~described in section 4(c) of this chapter~~ other colleges and universities

**(A) to state educational institutions or private educational institutions in Indiana that are not participating educational institutions; and of extending the use of the system**

**(B) for post-high school and other educational uses.**

(3) The expenses of coordinating, planning, and supervising the use of the **telecommunications transmission system** and the information in **the designated** electronic format.

(4) Equipment for the originating and receiving of instructional communication and educational information by means of the **telecommunications transmission system** and the information in **the designated** electronic format.

(b) The state auditor shall pay, as needed, from the fund amounts to the **board of trustees of Indiana University as agent for the universities participating educational institutions.**

(c) The **board of trustees of Indiana University**, as ~~the~~ agent, shall apply the funds to the payment of items as payment becomes due from the **higher education statewide telecommunications fund.**

SECTION 40. IC 21-29 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]:



**ARTICLE 29. STATE EDUCATIONAL INSTITUTIONS:  
INVESTMENTS**

**Chapter 1. General Provisions; Definitions**

**Sec. 1. The definitions in this chapter apply throughout this article.**

[20-12-1.3-2] ~~Sec. 2.~~ **2.** ~~As used in this chapter, "Obligations" mean~~  
**means** bonds, notes, bond anticipation notes, commercial paper, leases,  
lease-purchases, installment purchases, certificates of participation in  
agreements or programs, other evidences of indebtedness, or other  
agreements or purchasing programs.

[20-12-1.3-4] ~~Sec. 4.~~ **3.** ~~As used in this chapter, "Swap agreement"~~  
refers to:

(1) an agreement (including terms and conditions incorporated by  
reference in the agreement) that is a rate swap agreement, basis  
swap, forward rate agreement, interest rate option, rate cap  
agreement, rate floor agreement, rate collar agreement, or any  
other similar agreement (including any option to enter into any of  
the agreements described in this subdivision);

(2) any combination of the agreements described in subdivision  
(1); or

(3) a master agreement for an agreement or a combination of  
agreements described in subdivision (1) or (2), together with all  
supplements to the agreement.

**Chapter 2. General Powers; Board of Trustees**

[20-12-1-2(a)(10)] ~~(10)~~ **Sec. 1. (a) This section applies to the  
board of trustees of the following state educational institutions:**

**(1) Ball State University.**

**(2) Indiana University.**

**(3) Indiana State University.**

**(4) Purdue University.**

**(5) University of Southern Indiana.**

**(b) The board of trustees of a state educational institution may**  
establish and carry out written policies for the investment of the funds  
of the **state educational** institution in the manner provided by  
IC 30-4-3-3.

20-12-61-13(a)(11) **Sec. 2. The board of trustees of Ivy Tech  
Community College may** ~~(11)~~ establish written policies for the  
investment of the funds of Ivy Tech **Community College** in the  
manner provided by IC 30-4-3-3.

**Chapter 3. Swap Agreements**

[20-12-1.3-1] ~~Sec. 1.~~ This chapter applies notwithstanding any other  
law. ~~and This chapter~~ shall be liberally construed.

[20-12-1.3-3] ~~Sec. 3.~~ ~~As used in this chapter, "state educational~~  
~~institution" has the meaning set forth in IC 20-12-0.5-1.~~

[20-12-1.3-6] ~~Sec. 6.~~ **2.** ~~The provisions of~~ This chapter shall not be  
construed as limiting or restricting the investment powers otherwise



provided state educational institutions, including the power to adopt and implement investment policies under ~~IC 20-12-1-2(a)(10)~~.  
**IC 21-29-1-1.**

[20-12-1.3-5] Sec. ~~5~~ **3.** (a) Subject to subsections (b) through (d), any state educational institution may enter into and modify, amend, or terminate one (1) or more swap agreements that the state educational institution determines to be necessary or desirable in connection with or incidental to the issuance, carrying, or securing of obligations. Swap agreements entered into by a state educational institution ~~shall~~ **must**:

(1) contain the provisions (including payment, term, security, default, and remedy provisions); and

(2) be with the parties;

that the state educational institution determines are necessary or desirable after due consideration is given to the creditworthiness of the parties.

(b) A state educational institution may not:

(1) enter into any swap agreement under this section other than for the purpose of managing an interest rate or similar risk that arises in connection with or incidental to the issuance, carrying, or securing of obligations by the state educational institution; or

(2) carry on a business of acting as a dealer in swap agreements.

(c) A swap agreement ~~shall be~~ **is** considered as being entered into in connection with or incidental to the issuance, carrying, or securing of obligations if:

(1) the swap agreement is entered into not more than one hundred eighty (180) days after the issuance of the obligations and specifically indicates the agreement's relationship to the obligations;

(2) the board of trustees of the state educational institution specifically designates the swap agreement as having a relationship to the particular obligations;

(3) the swap agreement amends, modifies, or reverses a swap agreement described in subdivision (1) or (2); or

(4) the terms of the swap agreement bear a reasonable relationship to the terms of the obligations.

(d) Payments to be made by a state educational institution to any other party under a swap agreement ~~shall be~~ **are** payable only from the same source or sources of funds from which the related obligations are payable.

[20-12-1.3-7] Sec. ~~7~~ **4.** With regard to entering into any swap agreement, the state educational institution may enter into credit enhancement or liquidity agreements with payment, security, default, remedy, and other terms and conditions as determined by the state educational institution.

[20-12-1.3-8] Sec. ~~8~~ **5.** (a) This section does not apply in cases of bad faith or actual knowledge to the contrary by a party.



(b) A party that enters into any swap agreement with a state educational institution may rely on a representation by that state educational institution that the state educational institution is authorized or empowered to enter into the swap agreement, and notwithstanding the failure by the state educational institution to comply with the provisions of this chapter, that party may enforce the swap agreement against the state educational institution, subject to the terms of the swap agreement and subject to prior claims on sources from which the swap agreement may be payable.

SECTION 41. IC 21-30 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]:

**ARTICLE 30. STATE EDUCATIONAL INSTITUTIONS: DONATIONS; GIFTS, BEQUESTS, AND DEVISES**

**Chapter 1. General Provisions; Definitions**

[New] Sec. 1. The definitions in this chapter apply throughout this article.

[New] Sec. 2. "Board of trustees":

(1) for purposes of IC 21-30-5, refers to the board of trustees of Vincennes University; and

(2) for purposes of IC 21-30-6, refers to the board of trustees of a state educational institution.

**Chapter 2. Gift Annuities; Prohibited Restrictions on Gifts; Gifts for a Permanent Endowment**

[4-24-2-1] Sec. 1. Any state educational institution ~~and any state charitable or benevolent institution~~ or the state of Indiana ~~itself~~ may:

(1) receive gifts, bequests, and devises of real or personal property, or both, for the aid or maintenance of any ~~such state educational institution; or may receive gifts for state parks or other state purposes; and may~~

(2) agree to return to the donor or to any living person named by him therein, ~~the donor in being, and living at the time of the gift,~~ an annuity under the provisions and safeguards ~~hereinafter provided in this chapter.~~

[4-24-2-2] Sec. 2. ~~When~~ If the gift is for the purpose of providing an annuity, the ~~same gift~~ may be accepted by any ~~such state educational institution~~ or by the state ~~itself~~ upon condition that the ~~state educational institution~~ or the state ~~as the case may be,~~ shall pay to:

(1) the donor, for the life of the donor or for a term of years not beyond the lifetime of the donor, as may be agreed; or ~~shall pay to~~

(2) any person or persons named by the donor ~~in being and living~~ at the time of the gift, for the life of ~~such the~~ person or persons or for a term of years not beyond the lifetime of ~~such the~~ person or persons, as may be agreed;



1 an annuity on the value of the property at the time the gift is made. ~~as~~  
 2 ~~hereinafter provided; but such~~ **The annuity shall in no case must not**  
 3 ~~exceed the actual income from the property donated.~~

4 [4-24-2-3] Sec. 3. The value of the property comprised in the gift  
 5 shall be determined by three (3) disinterested appraisers appointed by  
 6 the governor, ~~of the state;~~ and no gift ~~shall may~~ be accepted by any  
 7 institution named in section ~~one 1 of this chapter~~ or by the state itself  
 8 unless it ~~be is~~ approved by the governor.

9 [4-24-2-4] Sec. 4. ~~For the purpose of securing~~ **To secure** the  
 10 payment of annuities, the property comprised in the gift may be  
 11 pledged, by way of mortgage or otherwise, to the annuitant or  
 12 annuitants for the full period of the life of the annuity or annuities. ~~but~~  
 13 The property pledged ~~shall be is~~ the sole guarantee and the state shall  
 14 not be obligated ~~in any manner~~ by ~~such the~~ mortgage or other  
 15 obligation.

16 [4-24-2-5] Sec. 5. All annuities provided ~~for herein in connection~~  
 17 **with a gift shall be are** free of all taxation for any or all purposes  
 18 within ~~the state of~~ Indiana.

19 [4-24-2-6] Sec. 6. ~~No~~ **A state educational** institution ~~shall be the~~  
 20 ~~recipient of~~ **may not receive** a gift, whether on the payment of an  
 21 annuity or otherwise, that ~~shall pledge such~~ **pledges the state**  
 22 **educational** institution to engage in ~~any a~~ course of instruction, or  
 23 perform ~~any acts of work;~~ **an act** other than ~~such a course of~~  
 24 **instruction or act that the state educational** institution ~~may have~~  
 25 ~~been authorized theretofore is permitted~~ by law to engage in or  
 26 perform.

27 [4-24-2-7] Sec. 7. All gifts of money, and all money realized from  
 28 real and personal property made under ~~the provisions of~~ this chapter to  
 29 ~~endow~~ permanently **endow**:

- 30 (1) any of said institutions mentioned in section ~~1 of this chapter;~~  
 31 **a state educational institution;** or ~~to endow permanently~~  
 32 (2) **any a** chair of learning or department in ~~any such a state~~  
 33 **educational** institution;

34 shall be taken in charge by the state of Indiana, as a trust, and managed  
 35 in all respects the same as the common school fund of the state is  
 36 managed, and the proceeds arising therefrom shall be paid to the **state**  
 37 **educational** institution ~~thus being~~ endowed for the purposes provided  
 38 by the terms of ~~such the~~ gift.

39 **Chapter 3. Gifts, Bequests, and Devises; Annuity Gifts; State**  
 40 **Educational Institutions Other than Ivy Tech Community College**  
 41 **and Vincennes University**

42 [20-12-4-1 (part)] Sec. 1. **This chapter applies to the following:**

- 43 (1) The **board of** trustees of Indiana University.  
 44 (2) The **board of** trustees of Purdue University.  
 45 (3) The **board of trustees of** Indiana State University. ~~board of~~  
 46 ~~trustees;~~



(4) ~~The board of trustees of the~~ University of Southern Indiana.  
board of trustees; and

(5) ~~The board of trustees of~~ Ball State University. board of trustees

[20-12-4-1 (part)] **Sec. 2. A board of trustees of a state educational institution** may accept gifts, bequests, and devises of personal and real property:

(1) for the maintenance, use, or benefit of ~~Indiana University, Purdue University, Indiana State University, University of Southern Indiana, or Ball State University;~~ **the state educational institution;** or

(2) to be administered for other public, charitable purposes for the benefit or use of students of any ~~of these state educational institutions;~~ **institution.**

[20-12-4-2(a)] ~~Sec. 2.~~ **3. (a)** The ~~board of trustees of Indiana University, the trustees of Purdue University, Indiana State University board of trustees, University of Southern Indiana board of trustees, and Ball State University board of trustees~~ **a state educational institution** may receive, accept, hold, administer, and use any property transferred to ~~any of them~~ **the board of trustees** by gift, bequest, or devise, with the terms, conditions, obligations, liabilities, and burdens imposed on the gift, bequest, or devise, if, in the judgment of the **board of trustees,** ~~of Indiana University, the trustees of Purdue University, Indiana State University board of trustees, University of Southern Indiana board of trustees, or Ball State University board of trustees;~~ it is for the best interest of the educational institution receiving the gift, bequest, or devise.

[20-12-4-2(b)] ~~(b)~~ **Sec. 4. (a)** **Subject to subsection (b),** if a gift, devise, or bequest is made for the purpose of providing an annuity, the gift, devise, or bequest may be accepted by the **board of trustees of** ~~Indiana University, the trustees of Purdue University, Indiana State University board of trustees, University of Southern Indiana board of trustees, or Ball State University board of trustees~~ on condition that the **state** educational institution:

(1) pay to the donor, for the life of the donor or for a term of years not beyond the lifetime of the donor, as may be agreed **upon;**

(2) pay to any person or persons named by the donor or testator ~~in being and alive~~ at the time of the making of ~~said~~ **the** gift, devise, or bequest, for the life or lives of ~~such the~~ named person or persons, as may be agreed upon; or

(3) pay to the donor or to any person or persons named by the donor or testator ~~in being and alive~~ at the time of ~~such the making of the~~ gift, devise, or bequest, for the life of the donor and the life or lives of the named person or persons, either in succession in a designated order of survivorship or in shares, concurrently, as may be agreed upon;





an annuity on the value of the property at the time the gift, devise, or bequest is made. ~~However,~~

(b) The annuity ~~shall in no case must not~~ exceed the actual income of the property donated, devised, or bequeathed, unless:

(1) a written agreement to pay a greater sum ~~as than~~ the annuity is:

(A) executed by the ~~board of trustees of Indiana University, the trustees of Purdue University, Indiana State University board of trustees, University of Southern Indiana board of trustees, or Ball State University board of trustees of the state educational institution;~~ and is

(B) ~~duly~~ approved by the governor; ~~of the state;~~ and

(2) no part of ~~any the~~ annuity ~~shall be~~ is paid out of ~~any the~~ funds or income:

(A) granted:

(i) to the ~~board of trustees of Indiana University, the trustees of Purdue University, Indiana State University board of trustees, University of Southern Indiana board of trustees, or Ball State University board of trustees the state educational institution~~ for any of the ~~state~~ educational institutions; ~~and~~

(ii) by the general assembly; and

(B) derived from taxation.

[20-12-4-3] Sec. 3-5. (a) ~~For the purpose of securing~~ To secure the payment of annuities, granted under this chapter, the property comprised in the gift, devise, or bequest may be pledged by way of mortgage or otherwise to the annuitant or annuitants for the full period of the life of the annuity or annuities. ~~but the~~

(b) Property pledged ~~under subsection (a) shall be~~ is the sole guarantee, and the donee shall not be obligated in any other manner unless by written agreement of the donee ~~duly~~ approved by the governor ~~of the state~~ as provided in section ~~2~~ 4 of this chapter.

#### **Chapter 4. Gifts, Bequests, and Devises; Ivy Tech Community College**

[New] Sec. 1. This chapter applies to Ivy Tech Community College.

[20-12-61-13(a)(2)] (2) Sec. 2. The board of trustees of Ivy Tech Community College may accept gifts, grants, bequests, and devises absolutely and in trust for support of the Ivy Tech Community College or its programs.

#### **Chapter 5. Gifts, Bequests, and Devises; Vincennes University**

[New] Sec. 1. This chapter applies to the board of trustees of Vincennes University.

[23-13-18-24] Sec. 24-2. Express power and authority is hereby given to The board of trustees of Vincennes University to may accept gifts, bequests, and devises of personal and real property:



(1) for the maintenance, use, or benefit of ~~such~~ Vincennes University; or

(2) to be administered for other public charitable purposes, for the benefit or use of students of ~~the~~ Vincennes University.

[23-13-18-25(a)] Sec. ~~25~~. ~~3.~~ ~~(a)~~ The **board of trustees of Vincennes University** are hereby granted the authority to may receive, accept, hold, administer, and use any property transferred to them by gift, bequest, or devise, with ~~such the~~ terms and conditions, and with ~~such the~~ obligations, liabilities, and burdens ~~as that~~ are imposed ~~thereon~~, on the gift, bequest, or devise, when, in the judgment of the **board of trustees**, it is for the best interest of ~~the~~ Vincennes University.

[23-13-18-25(b)] ~~(b)~~ Sec. 4. When any gift, devise, or bequest is made for the purpose of providing an annuity, the **same gift, devise, or bequest** may be accepted by the **board of trustees of the university** on condition that ~~the~~ Vincennes University pay to:

(1) the donor, for the life of the donor, or for a term of years not beyond the lifetime of the donor, as may be agreed upon;

(2) any person or persons named by the donor or testator, in being at the time of the making of ~~said the~~ gift, devise, or bequest, for the life or lives of ~~such the~~ named person or persons, as may be agreed upon; or

(3) the donor ~~and/or or~~ to any person or persons named by the donor or testator ~~in being and alive~~ at the time of ~~such the~~ gift, devise or bequest, **or both**, for the life of the donor and the life or lives of ~~such the~~ named person or persons, either in succession in a designated order of survivorship or in shares, concurrently, as may be agreed upon;

an annuity on the value of the property at the time the gift, devise or bequest is made. ~~but such~~ The annuity ~~shall in no case must not~~ exceed the actual income of the property donated, devised, or bequeathed, unless a written agreement to pay a greater sum than ~~such the~~ annuity is executed by the **board of trustees of such Vincennes University**.

[23-13-18-25(c)] ~~(c)~~ Sec. 5. ~~For the purpose of securing~~ To secure the payment of annuities granted under ~~this~~ section 4 of this chapter, the property comprised in the gift, devise, or bequest may be pledged by way of mortgage or otherwise to the annuitant or annuitants for the full period of the life of the annuity or annuities. ~~but~~ The property pledged ~~shall be~~ is the sole ~~guaranty~~, **guarantee** and the donee shall not be obligated in any other manner unless by written agreement of the donee.

[23-13-18-26 (part)] Sec. ~~26~~. 6. The **board of trustees of Vincennes University**, may, if not inconsistent with the terms and conditions of ~~such the~~ gift, bequest, or devise:

(1) sell, convey, or otherwise dispose of ~~such~~ real property **received as a gift, bequest, or devise**; and



(2) invest, ~~or~~ reinvest, or use the proceeds derived from ~~such the~~ sale, conveyance, or disposition ~~as in the judgment of of the real~~ property;

if the **board of trustees determines that the action** will be of the greatest benefit to ~~the Vincennes~~ University.

[23-13-18-26 (part)] **Sec. 7.** All:

(1) money; or

(2) other proceeds;

derived from the sale, conveyance, or other disposition of ~~any such the~~ **gift, bequest, or devise of** real property ~~shall must~~ be kept in a separate and distinct fund. ~~and The money or proceeds shall must~~ be devoted exclusively to the uses ~~which shall have been that are~~ designated and prescribed in the gift, bequest, or devise under the terms of which ~~such the~~ property was originally received and acquired. If the uses to which ~~such~~ property is to be devoted ~~shall not have been~~ **are not** specifically designated or prescribed in ~~such a~~ gift, bequest, or devise, ~~then and in that event,~~ the **board of trustees of the university** ~~shall have the authority to may~~ prescribe the uses to which the proceeds derived from the sale, conveyance, or other disposition of ~~any such~~ real property ~~shall must~~ be devoted.

[23-13-18-26 (part)] **Sec. 8.** ~~The purchaser of any~~ If real property ~~so that is received as a gift, bequest, or devise is sold or to whom any~~ ~~such real property~~ is to be conveyed or otherwise disposed of, ~~the purchaser~~ shall pay the purchase money ~~therefor, for the real property,~~ as ~~the same shall have been~~ agreed, ~~upon,~~ to the treasurer of ~~the Vincennes~~ University, and ~~the purchaser~~ shall take the receipt of ~~said the~~ treasurer. ~~therefor.~~ Upon presentation of the receipt of the treasurer to the **board of trustees, of the university** ~~such the board of~~ trustees shall cause to be executed a deed of conveyance to ~~such the~~ purchases. ~~which The~~ deed shall be signed by the **board of trustees.**

#### **Chapter 6. Disposition of Gifts, Bequests, and Devises of Real Property**

[20-12-5-1] Sec. 1. The board of trustees of ~~any a~~ state educational institution ~~to which any that receives a~~ gift, bequest, or devise of real property ~~shall have been or shall hereafter be made,~~ may, if not inconsistent with the terms and conditions of ~~such the~~ gift, bequest, or devise:

(1) sell, convey, or otherwise dispose of ~~such the~~ real property; and

(2) invest, ~~or~~ reinvest, or use the proceeds derived from ~~such the~~ sale, conveyance, or disposition ~~as, in the judgment of of the real~~ property;

if the board of trustees **determines that the action** will be of the greatest benefit to the **state educational** institution.

[20-12-5-2] Sec. 2. **(a) A state educational institution shall keep** all money or other proceeds derived from the sale, conveyance, or other



1 disposition of ~~any such~~ real property **received as a gift, bequest, or**  
 2 **devise shall be kept** in a separate and distinct fund ~~and shall be that is~~  
 3 devoted exclusively to the uses ~~which shall have been~~ designated and  
 4 prescribed in the gift, bequest, or devise. ~~under the terms of which such~~  
 5 ~~property was originally received and acquired.~~

6 (b) If the uses to which ~~such real property is to~~ **may** be devoted  
 7 ~~shall not have been~~ **are not** specifically designated or prescribed in  
 8 ~~such a gift, bequest, or devise, then and in that event,~~ the board of  
 9 trustees of ~~such the state educational institution shall have the~~  
 10 ~~authority to prescribe~~ **may determine the uses to which how to use** the  
 11 proceeds derived from the sale, conveyance, or ~~other~~ disposition of ~~any~~  
 12 ~~such the~~ real property. ~~shall be devoted.~~

13 [20-12-5-3] Sec. 3. (a) If the board of trustees of ~~any a~~ state  
 14 educational institution ~~shall determine~~ **decides** to sell, convey, or  
 15 ~~otherwise~~ dispose of ~~any such~~ real property **received as a gift,**  
 16 **bequest, or devise,** the board of trustees shall adopt a resolution to that  
 17 effect.

18 (b) If the value of the real property, as determined by an  
 19 independent appraisal procured by the board of trustees, is less than  
 20 five hundred thousand dollars (\$500,000), no further authorization is  
 21 required before the board of trustees may dispose of the real property.

22 (c) If the board of trustees determines by appraisal or otherwise that  
 23 the value of the real property is five hundred thousand dollars  
 24 (\$500,000) or more, the following apply:

25 (1) The value of the real property comprised in and constituting  
 26 the gift, bequest, or devise shall be determined by three (3)  
 27 disinterested appraisers appointed by the governor.

28 (2) ~~No such~~ **The** real property ~~shall may not~~ be sold, conveyed,  
 29 or otherwise disposed of for less than the appraised value ~~thereof.~~  
 30 **of the real property.**

31 (3) The sale, conveyance, or disposition must be approved by the  
 32 governor.

33 [20-12-5-4.1] Sec. ~~4.1~~ **4.** Subject to ~~the requirements of~~ section 3  
 34 of this chapter, the board of trustees of a state educational institution  
 35 may delegate to an officer of the **state educational** institution the  
 36 authority to do the following:

37 (1) Execute a contract for sale of real property upon terms and  
 38 conditions approved by the board of trustees.

39 (2) Execute and deliver a deed of conveyance for the real  
 40 property.

41 (3) Collect the purchase price for the real property.

42 SECTION 42. IC 21-31 IS ADDED TO THE INDIANA CODE AS  
 43 A **NEW ARTICLE TO READ AS FOLLOWS** [EFFECTIVE JULY 1,  
 44 2007]:

45 **ARTICLE 31. STATE EDUCATIONAL INSTITUTIONS:**  
 46 **ACQUISITION AND USE OF PROPERTY; LEASES**



**Chapter 1. General Provisions; Definitions**

[New] **Sec. 1.** The definitions in this chapter apply throughout this article.

[New] **Sec. 2.** "Dedicated land" refers to the strips of land that are authorized to be dedicated as a public street under IC 21-31-6-1.

**Chapter 2. General Powers**

[20-12-1-2(a)(1)] **Sec. 1.** ~~(†) to~~ (a) This section applies to the board of trustees of the following state educational institutions:

(1) Ball State University.

(2) Indiana University.

(3) Indiana State University.

(4) Purdue University.

(5) University of Southern Indiana.

(b) The board of trustees of a state educational institution may govern the:

(1) disposition; and

(2) method and purpose of use;

of the property owned, used, or occupied by the state educational institution, including the ~~governance~~ of travel over and the assembly upon the property.

[20-12-57.5-11(j)] ~~(†)~~ **Sec. 2.** The board of trustees of Ball State University may receive, administer, and dispose of all donations, bequests, grants, funds, and other property that ~~may be~~ is given to the University state educational institution or is otherwise acquired by the Ball State University.

[20-12-56-2 (part)] **Sec. 3.** The board of trustees of Indiana State University may ~~and to~~ hold in trust all funds and property ~~which that~~ may be is provided for said Indiana State University.

[20-12-23-2(c) (part)] **Sec. 4.** ~~to~~ The board of trustees of Indiana University may:

(1) possess all the real and personal property of ~~such~~ Indiana University for its benefit; ~~to~~

(2) take and hold, in their corporate name, any real or personal property for the benefit of ~~such~~ institution; ~~to~~ Indiana University; and

(3) expend the income of ~~the~~ Indiana University for its benefit.

[20-12-61-13(a)(1)] ~~(†)~~ **Sec. 5.** The board of trustees of Ivy Tech Community College may hold, encumber, control, acquire by donation or purchase, construct, own, lease, use, and sell real and personal property as is necessary for the conduct of its program of operation, on whatever terms and for whatever consideration may be appropriate.

[20-12-36-4] **Sec. 6.** ~~they~~ The board of trustees of Purdue University shall take in charge, have, hold, possess, and manage all: ~~and singular:~~



(1) ~~the~~ property and money comprehended in ~~said the~~ donations;  
as also

(2) ~~the fund funds~~ derived from the sale of the land scrip donated  
under ~~said the~~ act of Congress and the increase ~~thereof~~; of those  
funds; and

(3) ~~all~~ money or other property ~~which may hereafter that is~~ at any  
time ~~be~~ donated to and for the use of ~~said institution~~: **Purdue  
University.**

[20-12-64-5(9)] ~~(9)~~ **Sec. 7. The University of Southern Indiana**  
**may** receive, administer, and dispose of all donations, bequests, grants,  
funds, and other property that ~~may be~~ **is** given to the ~~University state~~  
**educational institution** or otherwise acquired by the University of  
**Southern Indiana.**

[23-13-18-1(b) (part)] **Sec. 8. The board of trustees of Vincennes**  
**University, by the same in the name and style, of the board of**  
**trustees be in law capable of** purchasing, holding, leasing, and  
conveying, **may purchase, hold, lease, and convey** any estate, real or  
personal, for the use of ~~the Vincennes~~ University.

[23-13-18-8(1)] ~~Sec. 8:~~ **Sec. 9. It shall be the duty of the said The**  
**board of trustees and they are hereby authorized and required as soon**  
**as may be, to: (1) of Vincennes University may** erect, purchase, or  
hire, as ~~they may deem~~ **the board of trustees determines** most  
expedient, for carrying the said university into effect; suitable buildings  
for the said to carry out the purposes of Vincennes University.

[23-13-18-14] ~~Sec. 14:~~ **10. (a) The board of trustees of Vincennes**  
**University are hereby authorized and empowered; from time to time,**  
**and as such may, when the board of trustees shall find finds a**  
necessity: ~~therefor exists, to:~~

(1) erect, construct, and complete buildings **and** structures and  
otherwise improve property owned by the university;

(2) equip, furnish, operate, control, and manage ~~said the~~  
properties for the purposes of ~~the~~ or for the benefit of the  
university; ~~and~~

(3) acquire by purchase, lease, gift, or otherwise ~~such~~ property,  
both real or personal, ~~as in that~~ the judgment of ~~said board of~~  
trustees ~~shall be finds~~ necessary for ~~such the~~ purposes ~~The said~~  
trustees are further authorized and empowered to of Vincennes  
University; and

(4) use ~~any~~ real or personal property ~~heretofore~~ acquired by ~~said~~  
the board of trustees for ~~such the~~ purposes of Vincennes  
University.

(b) Title to all property ~~so~~ acquired by the board of trustees of  
Vincennes University, including the improvements ~~thereon on~~ real  
property, shall be taken and held by and in the name of ~~said the board~~  
of trustees in their corporate capacities for the purposes of ~~this chapter~~:  
Vincennes University.



[23-13-18-21] Sec. ~~21~~ **11.** The **board of** trustees of Vincennes University ~~are authorized and empowered to may~~ lease or sell property of ~~the Vincennes University which; that,~~ in the judgment of the **board of trustees of Vincennes University**, is not required for educational purposes, together with any improvements constructed ~~thereon on the property~~ or to be constructed ~~thereon. Such on the property.~~ The lease or sale ~~shall must~~ be made upon ~~such the~~ terms and conditions ~~as said that the board of trustees deem determines~~ proper.

### **Chapter 3. Inspections**

[20-12-23-23] Sec. ~~23~~ **1.** The board of trustees of **Indiana University** shall annually appoint a committee ~~of their body from the members of the board of trustees~~ to examine ~~the Indiana University~~ buildings and grounds. ~~adjacent who~~ The committee shall report the kind and cost of repairs, if any are needed. ~~and one of the number of A member of the faculty shall be appointed to take care of such the~~ buildings and grounds.

[23-13-18-8(6)] (~~6~~) **Sec. 2.** The board of trustees of Vincennes University shall visit and inspect ~~the said Vincennes University.~~

### **Chapter 4. Leases**

[20-12-1-2(a)(11)] (~~11~~) **to Sec. 1. (a)** This section applies to the board of trustees of the following state educational institutions:

- (1) Ball State University.
- (2) Indiana University.
- (3) Indiana State University.
- (4) Purdue University.
- (5) University of Southern Indiana.

(b) The board of trustees of a state educational institution may lease to any corporation, limited liability company, partnership, association, or individual real estate, title to which is in the name of:

- (1) ~~an the state educational~~ institution; or
- (2) ~~in the name of the state for the use and benefit of the leasing state educational institution. and~~

[20-12-1-2(b) (part)] (~~b~~) **Sec. 2.** ~~A lease may be for such term and for such rental; either nominal or otherwise; as the board determines to be~~ (a) This section applies to the board of trustees of the following state educational institutions:

- (1) Ball State University.
- (2) Indiana University.
- (3) Indiana State University.
- (4) Purdue University.
- (5) University of Southern Indiana.

(b) The board of trustees of a state educational institution may enter into a lease if the board of trustees determines that the lease is in the best interest of the state educational institution. ~~No~~ A lease ~~shall may not~~ be executed under this section chapter for a term exceeding four (4) years unless the execution is approved by the:



1 (1) governor; and  
 2 (2) ~~by the~~ budget agency.  
 3 ~~The universities shall be~~  
 4 [20-12-1-2(b) (part); [20-12-1-2(c)] **Sec. 3. (c) (a) This section**  
 5 **applies to the board of trustees of the following state educational**  
 6 **institutions:**

- 7 (1) **Ball State University.**  
 8 (2) **Indiana University.**  
 9 (3) **Indiana State University.**  
 10 (4) **Purdue University.**  
 11 (5) **University of Southern Indiana.**

12 (b) ~~This section shall not be construed to~~ **chapter does not** deny  
 13 any tax exemption that a lessee would have under other laws if the  
 14 lessee were the owner in fee simple of the real estate.

15 (c) **A state educational institution is exempt from all property**  
 16 **taxes on any real estate leased under this section and chapter.** The  
 17 **lessee of real estate leased under this chapter shall be is** liable for  
 18 property taxes on the leased real estate as if the real estate were owned  
 19 by the lessee in fee simple, unless the lessee is a student living in  
 20 ~~university-owned~~ **facilities owned by the state educational**  
 21 **institution.**

#### 22 **Chapter 5. Lease of Property for Military Training**

23 [New] **Sec. 1. This chapter applies to the following state**  
 24 **educational institutions:**

- 25 (1) **Ball State University.**  
 26 (2) **Indiana State University.**  
 27 (3) **Indiana University.**  
 28 (4) **Purdue University.**

29 [20-12-10-1 (part)] ~~Sec. 1. 2.~~ **The State Teachers College board the**  
 30 **of trustees of Indiana University, and the trustees of Purdue University**  
 31 **respectively are hereby authorized to a state educational institution**  
 32 **may lease land to the United States of America for the**  
 33 **establishment of military, naval, or scientific training schools or**  
 34 **institutions.**

35 [20-12-10-1 (part)] **Sec. 3. A lease described in this chapter:**

- 36 (1) ~~must be~~ **for a nominal or substantial consideration;**  
 37 (2) ~~must be~~ **for a period of time not in excess of thirty (30) years;**  
 38 **and**  
 39 (3) ~~on such may contain~~ **other terms as they may determine; any**  
 40 **land which they may now own or hereafter acquire from any**  
 41 **source; in trust or otherwise; to the United States of America for**  
 42 **the establishment of military, naval and scientific training schools**  
 43 **and institution. determined by the board of trustees of the state**  
 44 **educational institution.**

45 [20-12-10-1 (part)] **Sec. 4. Land leased under this chapter may be**  
 46 **land acquired from any source, including from a trust.**





**Chapter 6. Purdue University; Dedication of Public Streets**

[20-12-39-1] Sec. 1. The **board of** trustees of Purdue University ~~are hereby empowered to may~~ dedicate ~~for as~~ a public street, adjoining the town of West Lafayette, Indiana, a strip of land thirty (30) feet in width, and described as follows:

"Beginning at the southeast corner of the lands owned by said university, and running thence north along the east side of said university lands to the state road, a distance of about thirteen hundred and fifty (1,350) feet."

[20-12-39-2] Sec. 2. The **board of** trustees of Purdue University ~~are hereby empowered to may~~ dedicate ~~for as~~ public streets ~~such strips of lands extending through or along the grounds owned by said University as they may deem for any part of the dedicated land that the board of trustees determines is in the best interest of said Purdue University.~~

**Chapter 7. Purdue University; Airport**

[20-12-50-1(a)] Sec. 1. (a) The **board of** trustees of Purdue University ~~a corporation~~, may:

(1) declare all or any part of the Purdue University Airport and its facilities a public airport; and

(2) authorize by contract, license, lease, or otherwise, public use of the airport and its facilities.

(b) The **board of** trustees may determine the term and application of ~~any an~~ agreement entered into under this section. This section does not apply to facilities required solely for educational or research activities at ~~the Purdue~~ University.

[20-12-50-1(b)] ~~(b)~~ Sec. 2. Notwithstanding any other ~~statute; law~~, the leasehold estate of any lessee or the lessee's assigns ~~created under this section described in chapter~~, including any permanent structure erected on the property by the lessee, or the lessee's assigns, is exempt from property taxation.

[20-12-50-2] Sec. ~~2~~ **3**. The control of ~~such the Purdue University Airport shall be~~ is under the board of trustees ~~of the trustees~~ of Purdue University. ~~and such~~ The board of trustees ~~shall be empowered to may~~ do the following:

~~(a)~~ (1) Establish standards and promulgate reasonable rules and regulations, consistent with state and federal rules regarding ~~such~~ matters governing the use of ~~such Purdue University~~ Airport as a public airport.

~~(b)~~ (2) Establish, collect, and receive reasonable fees for the use of ~~said Purdue University~~ Airport and its facilities.

~~(c)~~ (3) Accept, receive, and receipt for federal ~~monies; money~~, and other ~~monies; money~~, either public or private:

(A) for the acquisition, construction, enlargement, improvement, maintenance, equipment, or operation of:

(i) Purdue University Airport; ~~and~~



(ii) other air navigation facilities incident ~~thereto~~, to **Purdue University Airport**; and

(iii) sites ~~therefor~~, for **Purdue University Airport**; and

(B) to comply with the ~~provisions of the~~ laws of the United States, the state, ~~of Indiana~~, and any **related** rules and regulations ~~made thereunder~~ for the expenditure of ~~such monies~~ **the money** upon the Purdue University Airport and other air navigation facilities incident ~~thereto~~, and to **Purdue University Airport**.

~~(d)~~ (4) Effectuate the purpose and intent of this chapter.

**Chapter 8. Heat or Power Plant; Indiana State University; Ball State University; Vincennes University**

[IC 20-12-53-2] Sec. 2: 1. (a) ~~Whenever any~~ **This section applies to the following state educational institutions:**

(1) **Ball State University.**

(2) **Indiana State University.**

(b) ~~If a heat or power plant belonging to Indiana State University or Ball State University~~ **a state educational institution** or operated by the board of trustees of ~~either university~~ **a state educational institution** has sufficient capacity to furnish and generate heat or power, or both, in excess of that needed for the various buildings and other structures and appliances of ~~by the university, then~~ **the state educational institution**, the board of trustees ~~authorized to of the state educational institution~~ **may sell and dispose of, upon terms and conditions as it may fix and determine, that the board of trustees determines**, any or all of the excess heat or power, or both, to ~~any a~~ **a** hospital, charitable or public institution, or developer that:

(1) has entered into a financing agreement with the board of trustees ~~of the university~~ under ~~IC 20-12-1.5~~; ~~However, the recipient of the heat or power, or both, must~~ **IC 21-33**; and

(2) **agrees to** do all piping and make all connections necessary to receive the heat or power, or both.

[23-13-18-23] Sec. ~~23~~: **Said 2. The board of trustees of Vincennes University may in their discretion** furnish heat, light, power, and other like facilities or service to any or all structures to be constructed ~~under the provisions of this chapter by Vincennes University~~ from the plant or facilities of ~~the Vincennes University~~, with or without charge therefor.

**Chapter 9. Other Uses of Property**

[20-12-1-11] Sec. ~~11~~: 1. The board of trustees of each state educational institution ~~(as defined in IC 20-12-0.5-1)~~ shall comply with the library automation standards established by the state library board under IC 4-23-7.1-11(b).

[20-12-1-2(a)(11)] ~~(11)~~ to Sec. 2. (a) **This section applies to the board of trustees of the following state educational institutions:**

(1) **Ball State University.**



(2) Indiana University.

(3) Indiana State University.

(4) Purdue University.

(5) University of Southern Indiana.

(b) The board of trustees of a state educational institution may adopt policies and standards for making property owned by the state educational institution reasonably available to be used free of charge as locations for the production of motion pictures.

SECTION 43. IC 21-32 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]:

**ARTICLE 32. STATE EDUCATIONAL INSTITUTIONS:  
BONDS AND BORROWING**

**Chapter 1. General Provisions; Definitions**

**Sec. 1. The definitions in this chapter apply throughout this article.**

[4-1-5-4 (part)] ~~Sec. 4.~~ **2. (a) The term "Bonds" as used in this chapter includes:**

(1) bonds;

(2) debentures; ~~or and~~

(3) other evidences of indebtedness.

[20-12-9.5-2] ~~Sec. 2.~~ **3. As used in this chapter, "Obligations" means any of the following issued by a state educational institution:**

(1) Bonds.

(2) Notes. ~~or~~

(3) Other evidences of indebtedness. ~~or~~

(4) Other obligations. ~~issued by a corporation.~~

[4-1-5-4 (part)] ~~(b) Sec. 4.~~ **The term "Person" includes: but is not limited to;**

(1) a corporation;

(2) a limited liability company;

(3) a partnership;

(4) a firm;

(5) an association;

(6) a joint venture; ~~or~~

(7) an individual; ~~or and~~

(8) any combination thereof; ~~of the entities listed in this section.~~

**Chapter 2. Temporary Borrowings; Loans; Lines of Credit;  
Credit Facilities**

[20-12-9.5-6] ~~Sec. 6.~~ **1. The powers of a corporation state educational institution under this chapter are in addition to all other powers of a corporation the state educational institution to issue obligations.**

[20-12-9.5-1] ~~Sec. 1.~~ **As used in this chapter, "corporation" means the trustees of Indiana University, the trustees of Purdue University, the University of Southern Indiana board of trustees, the Ball State**



University board of trustees; the Indiana State University board of trustees; the board of trustees for Vincennes University; or the trustees of Ivy Tech Community College of Indiana:

[20-12-9.5-3] Sec. ~~3~~ **2**. A ~~corporation~~ **state educational institution** may **do any of the following**:

(1) Borrow funds on a temporary basis in anticipation of the issuance of long term obligations. ~~and~~

(2) Use the proceeds of a temporary borrowing for any purpose for which the ~~corporation~~ **institution** could issue obligations under ~~IC 20-12-6, IC 20-12-7, IC 20-12-8, IC 21-34, IC 21-35-2, IC 21-35-3, or IC 20-12-9.~~ **IC 21-35-5.** ~~A~~

(3) ~~Issue a temporary borrowing: may be issued:~~

~~(1) (A) in the form of a bond, note, commercial paper, or any other form;~~

~~(2) (B) upon the terms and conditions and with the provisions (including redemption provisions);~~

~~(3) (C) at the rate or rates of interest (fixed or variable); and~~

~~(4) (D) subject to subdivision (5), in the denominations; which may be made convertible into different denominations;~~

as the ~~corporation~~ **state educational institution** determines ~~by the adoption of a resolution or approval of a form of indenture between the corporation and a designated corporate trustee, or both.~~ **under subdivision (6).** ~~A corporation may~~

(4) Negotiate the terms of any temporary borrowing.

(5) ~~Make the denominations determined under subdivision (3)(D) convertible into different denominations.~~

(6) ~~Make the determinations under subdivision (3) by any of the following:~~

~~(A) The adoption of a resolution.~~

~~(B) The approval of a form of indenture between the state educational institution and a designated corporate trustee.~~

[20-12-9.5-4] Sec. ~~4~~ **3**. (a) A ~~corporation~~ **state educational institution** may:

(1) negotiate:

(A) a loan;

(B) a line of credit; or

(C) any other credit facility; and

(2) issue a note for a credit facility;

with any institution or entity on the terms and conditions that the ~~corporation~~ **state educational institution** determines.

(b) ~~A state educational institution may make the determinations under this section by:~~

(1) the adoption of a resolution; or

(2) ~~the approval of an agreement between the corporation~~ **state educational institution** and the institution or entity.

[20-12-9.5-5] Sec. ~~5~~ **4**. A ~~corporation~~ **state educational institution**



may pledge and assign for the benefit of holders of:

- (1) temporary obligations; or
- (2) a credit facility;

under this chapter any security that the ~~corporation~~ **state educational institution** may pledge and assign for the payment of bonds or notes under ~~IC 20-12-6, IC 20-12-7, IC 20-12-8, IC 21-34, IC 21-35-2, IC 21-35-3, or IC 20-12-9.~~ **IC 21-35-5.**

### **Chapter 3. Sale of Bonds**

[4-1-5-1(a) (part)] Sec. 1. ~~(a) Any A state university or college established by the constitution or a statute having authority and educational institution with power to issue bonds may sell such bonds at public or negotiated sale:~~

- (1) for the price or prices; ~~but not for less than ninety percent (90%) of the par value of those bonds;~~
- (2) in the manner; and
- (3) at the time or times;

determined by ~~that the state university or college;~~ **However, in no event may the underwriter's discount exceed three percent (3%) of the par value.** **educational institution.**

[4-1-5-1(a) (part)] Sec. 2. **A state educational institution may not sell bonds:**

- (1) for less than ninety percent (90%); or
- (2) with an underwriter's discount that exceeds three percent (3%);

**of the par value of the bonds.**

[4-1-5-1(b) (part)] ~~(b)~~ Sec. 3. ~~(a) In the event that A state university or college educational institution that determines to sell bonds at public sale notice must be given in either of the following ways: (1) shall give notice under subsection (b) or (c).~~

**(b) A state educational institution that gives notice of such sale shall be published under this subsection shall:**

- (1) **publish the notice** once each week for two (2) weeks in:
  - (A) an English language newspaper of general circulation published in the county in which the principal office of ~~such~~ **the** state university or college is located; and ~~in~~
  - (B) an English language newspaper of general circulation published in the state capital;
- (2) **publish the last of such the publications to be under subdivision (1) at least seven (7) days prior to before the date of sale; and**
- (3) **include in the notice shall set forth: the following with respect to the bonds:**
  - (A) The amount ~~of such bonds~~ to be offered.
  - (B) The denominations. ~~thereof;~~
  - (C) The dates of maturity.
  - (D) The maximum rate or rates of interest or the maximum net



1 interest cost.

2 (E) The date, ~~place~~, **time**, and ~~hour~~ **place** of sale. ~~and~~

3 (F) The minimum price to be paid for the bonds. ~~(2)~~

4 **(c) A state educational institution that gives notice of intent to sell**  
5 **such bonds shall be published under this section shall:**

6 **(1) publish the notice** once each week for two (2) weeks in:

7 **(A)** an English language newspaper of general circulation  
8 published in the county in which the principal office of the  
9 state university or college is located; and ~~in~~

10 **(B)** an English language newspaper of general circulation  
11 published in the state capital; **and**

12 **(2) include in the notice:**

13 **(A) a statement** ~~shall state~~ that any person interested in  
14 submitting a bid for the bonds may furnish in writing to the  
15 treasurer of the state ~~university or college~~ **educational**  
16 **institution** at the address set forth in the notice the person's:

17 **(i)** name, address, and telephone number; ~~the person may~~  
18 ~~also furnish a~~ **and**

19 **(ii)** telex number, **if any**; ~~The notice of intent to sell bonds~~  
20 ~~shall set forth: and~~

21 **(B) the following with respect to the bonds:**

22 ~~(A)~~ **(i)** The amount ~~of the bonds~~ to be offered.

23 ~~(B)~~ **(ii)** The denominations.

24 ~~(C)~~ **(iii)** The dates of maturity.

25 ~~(D)~~ **(iv)** The maximum rate or rates of interest or the  
26 maximum net interest cost.

27 ~~(E)~~ **(v)** The place of sale.

28 ~~(F)~~ **(vi)** The time within which the ~~name, address, and~~  
29 ~~telephone number information referred to in clause (A)~~  
30 ~~must be furnished. which shall~~ **The time within which the**  
31 **information referred to in clause must be furnished must**  
32 ~~not be less than~~ **be at least** seven (7) days after the last  
33 publication of the notice of intent to sell. ~~and~~

34 ~~(G)~~ **(vii)** The minimum price to be paid. ~~for the bonds.~~

35 [4-1-5-1(b) (part)] **Sec. 4. (a) This section applies when notice is**  
36 **given under section 3 of this chapter for a public sale.**

37 **(b) The treasurer of the state educational institution:**

38 **(1)** shall cause each person ~~so~~ registered **under section 3(c) of**  
39 **this chapter** to be notified of the date and time bids will be  
40 received ~~not less than~~ **at least** twenty-four (24) hours before the  
41 date and time;

42 **(2)** shall give the notification ~~shall be~~ **under subdivision (1):**

43 **(A)** by telephone at the number furnished by the person; and  
44 ~~also~~

45 **(B)** by telex if the person furnishes a telex number; **and**

46 **(3) may not receive bids** ~~shall not be received for~~ more than



1 ninety (90) days after the first publication of the notice of intent  
2 **to sell bonds.**

3 [4-1-5-1(c) (part)] ~~(c)~~ **Sec. 5. A state educational institution shall**  
4 **award** bonds sold at public sale ~~shall be awarded~~ to the bidder offering  
5 the lowest interest cost to be determined by:

6 (1) computing the total interest on the bonds from the date ~~thereof~~  
7 **of the sale** to the date of maturity; and

8 (2) **either:**

9 (A) deducting ~~therefrom~~ **from the total interest the amount**  
10 **of any** premium bid; ~~if any;~~ or

11 (B) adding ~~thereto~~ **to the total interest** the amount of any  
12 discount. ~~as the case may be. In the event~~

13 [4-1-5-1(c) (part)] **Sec. 6. If** no acceptable bid is received at the time  
14 fixed for sale of the bonds **at a public sale**, the **state educational**  
15 **institution:**

16 (1) **may continue** the sale ~~may be continued~~ from day to day for  
17 a period not to exceed thirty (30) days without readvertising; ~~but~~  
18 **and**

19 (2) **may not accept a bid** during the continuation of ~~such~~ the sale  
20 **a bid shall not be accepted** that offers a higher interest cost than  
21 the best bid received at the time fixed for ~~such~~ the sale under  
22 ~~subsection (b)(1) or (b)(2):~~ **section 3 of this chapter.**

23 The acceptability of a bid is within the sole discretion of the state  
24 ~~university or college~~ **educational institution** issuing the bonds. A state  
25 ~~university or college~~ **educational institution** may not negotiate a sale  
26 for an issue of bonds without public bidding under ~~subsection (a)~~  
27 **section 1 of this chapter** until the thirty (30) day period required by  
28 this ~~subsection~~ **section** has passed for that issue if the state ~~university~~  
29 ~~or college~~ **educational institution** has conducted a public sale for that  
30 issue under ~~subsection (b):~~ **sections 3 and 4 of this chapter.**

31 [4-1-5-2] ~~Sec. 2:~~ **7. (a) No** A state educational institution may not:

32 (1) **accept a bid for the bonds**, other than a bid submitted by the  
33 federal government or any agency of the federal government;  
34 ~~shall be accepted; nor shall any or~~

35 (2) **execute and deliver a** contract of sale for the bonds; ~~be~~  
36 ~~executed and delivered;~~

37 unless the bid or contract is accompanied by a certified check or  
38 cashier's check in an amount equal to one percent (1%) of the principal  
39 amount of the bonds sold. ~~The check must be drawn upon any bank or~~  
40 ~~trust company, in or out of the state, which is insured by the Bank~~  
41 ~~Insurance Fund of the Federal Deposit Insurance Corporation.~~

42 (b) The check required by subsection (a) ~~shall~~ **must** be:

43 (1) payable to the state ~~university or college~~ **educational**  
44 **institution** issuing the bonds; ~~and shall be held and~~

45 (2) **drawn on a bank or trust company, in or out of state, that**  
46 **is insured by the Deposit Insurance Fund of the Federal**



**Deposit Insurance Corporation.**

**(c) The state educational institution shall:**

**(1) hold the check required by subsection (a)** as a guaranty of the performance of:

**(A) the bid, ~~should~~ if the bid ~~be~~ is accepted; or as a guaranty of performance of**

**(B) the contract, ~~should~~ if the contract ~~be~~ is signed; ~~(c) The check required by subsection (a) shall be returned and~~**

**(2) return the check required under subsection (a)** to a bidder if that bidder's bid is not accepted. ~~but~~

**(d) If ~~the~~ a bid is accepted and ~~should~~ the bidder ~~fail~~ fails to perform the bid, the check required under subsection (a) and the proceeds of the check are:**

**(1) the property of the state ~~university or college~~; educational institution; and ~~are~~**

**(2) considered ~~its~~ liquidated damages ~~growing out of this to the state educational institution arising from the~~ default.**

**~~(d)~~ (e) A contract for the purchase of bonds at negotiated sale must provide that ~~should~~ if the purchaser ~~fail~~ fails to perform the purchaser's obligation to pay for the bonds, the check required under subsection (a) and the proceeds from the check are:**

**(1) the property of the state university or college; and**

**(2) considered ~~its~~ liquidated damages to the state educational institution arising from the default.**

**[4-1-5-3] Sec. ~~3~~ 8. Before the delivery of ~~such~~ the bonds to a successful bidder at ~~any~~ a public sale, other than the federal government or any agency ~~thereof~~, ~~such of the federal government~~, the bidder shall cause to be filed with the secretary of state ~~before the published date of sale~~ a sworn affidavit that:**

**(1) is acceptable to the secretary of state; ~~stating and~~**

**(2) states that no collusion or binding agreement existed between:**

**(A) the successful bidder; and**

**(B) ~~any~~ an official of the issuing state university or college; prior to the published date of sale.**

**[4-1-5-5] Sec. ~~5~~ 9. This chapter ~~shall~~ is not ~~be~~ applicable to bonds advertised for sale or sold or contracted to be sold ~~prior to~~ before March 13, 1959.**

**SECTION 44. IC 21-33 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]:**

**ARTICLE 33. STATE EDUCATIONAL INSTITUTIONS: APPROVAL OF PROJECTS; FUNDING**

**Chapter 1. General Provisions; Definitions**

**[New] Sec. 1. The definitions in this chapter apply throughout this article.**

**[New] Sec. 2. "Cost", for the purposes of IC 21-33-3, refers to**





1 **costs described in IC 21-33-3-8.**

2 [20-12-5.5-7(c)] ~~(c)~~ **Sec. 3. As used in this section,** "Energy cost  
3 savings contract" means a contract between a higher education  
4 institution and a qualified provider for the implementation of at least  
5 one (1) qualified energy savings project and related measures.

6 [New] **Sec. 4. "Fund", for purposes of IC 21-33-2, refers to the**  
7 **facilities planning fund established under IC 21-33-2-2.**

8 [New] **Sec. 5. "Project", for purposes of IC 21-33-3, refers to a**  
9 **project that is authorized under IC 21-33-3.**

10 [20-12-5.5-7(a)] ~~Sec. 7. 6. (a) As used in this section,~~ "Qualified  
11 energy savings project" means a facility alteration designed to reduce  
12 energy consumption costs or other operating costs, including the  
13 following:

14 (1) Providing insulation of the facility and systems within the  
15 facility.

16 (2) Installing or providing for window and door systems,  
17 including:

18 (A) storm windows and storm doors;

19 (B) caulking or weatherstripping;

20 (C) multi-glazed windows and doors;

21 (D) heat absorbing or heat reflective glazed and coated  
22 windows and doors;

23 (E) additional glazing;

24 (F) reduction in glass area; and

25 (G) other modifications that reduce energy consumption.

26 (3) Installing automatic energy control systems.

27 (4) Modifying or replacing heating, ventilating, or air  
28 conditioning systems.

29 (5) Unless an increase in illumination is necessary to conform to  
30 Indiana laws or rules or local ordinances, modifying or replacing  
31 lighting fixtures to increase the energy efficiency of the lighting  
32 system without increasing the overall illumination of a facility.

33 (6) Providing for other energy conservation measures that reduce  
34 energy consumption or reduce operating costs.

35 [20-12-5.5-7(b)] ~~(b)~~ **Sec. 7. As used in this section,** "Qualified  
36 provider" means a person or business experienced in the design,  
37 implementation, and installation of energy and operational cost savings  
38 systems.

39 [20-12-5.5-1 (part)] ~~Sec. 1. As used in this chapter:~~ "Higher  
40 education institution" means Indiana University, Purdue University,  
41 Indiana State University, Vincennes University, Ball State University,  
42 University of Southern Indiana, and Ivy Tech Community College of  
43 Indiana.

44 [20-12-64-2] ~~Sec. 2. 8. As used in this chapter,~~ "Regional campus"  
45 means Indiana State University – Regional Campus Evansville, a  
46 regional campus managed by the Indiana State University board of



trustees before July 1, 1985.

[20-12-5.5-1 (part)] **Sec. 9.** "Repair and rehabilitation project" means ~~any~~ a project to **do any of the following:**

(1) Repair, rehabilitate, remodel, renovate, reconstruct, or finish existing facilities or buildings, **or both, or to take any combination of those actions.**

(2) Improve, replace, or add utilities, ~~or~~ fixed equipment, **or both, and or to take any combination of those actions.**

(3) Perform site improvement work ~~whereby without~~ **substantially changing** the exterior dimensions of ~~any~~ existing facilities, ~~or buildings, remain substantially unchanged. or any~~ **combination of facilities and buildings.**

## **Chapter 2. Facilities Planning Fund**

[New] **Sec. 1.** **This chapter applies to all state educational institutions.**

[20-12-5.5-1.5 (part)] ~~Sec. 1-5:~~ **2.** The facilities planning fund is established at each ~~higher education~~ **state educational** institution.

[20-12-5.5-1.5 (part)] **Sec. 3.** The assets of the fund may be used only to pay for the preliminary planning of academic facilities.

[20-12-5.5-1.5 (part)] **Sec. 4.** An academic facility construction budget must include sufficient funds to reimburse the fund for all funds allocated under ~~this section 3 of this chapter~~ **for the preliminary planning of the an academic facility.**

## **Chapter 3. Projects for Land, Buildings, and Facilities; Repair and Rehabilitation Projects**

[20-12-5.5-1 (part)] **Sec. 1.** **This chapter applies to all state educational institutions.** ~~Sec. 1. As used in this chapter: "Higher education institution" means Indiana University, Purdue University, Indiana State University, Vincennes University, Ball State University, University of Southern Indiana, and Ivy Tech Community College of Indiana.~~

[New] **Sec. 2.** **This chapter applies to the following property:**

(1) **Land.**

(2) **Buildings.**

(3) **Facilities.**

(4) **Equipment.**

[20-12-5.5-2.5] ~~Sec. 2-5:~~ **3.** (a) Except as provided in subsection (b), a project that has been approved or authorized by the general assembly is not subject to review by the commission for higher education.

(b) The commission for higher education shall review a project approved or authorized by the general assembly if the review is requested by the budget agency or the budget committee.

[20-12-5.5-6] ~~Sec. 6:~~ **4. (a)** The ~~state~~ budget agency may refer to the ~~state~~ budget committee budgetary and fiscal matters under this chapter for which it would like an advisory recommendation.

(b) If a matter is referred to the ~~state~~ budget committee, **it the**



**budget committee:**

- (1) shall hold hearings;
- (2) may exercise any powers under IC 4-12-1-11; and
- (3) shall make an advisory recommendation to the budget agency.

The advisory recommendation may recommend that the matter as referred be approved, disapproved, referred to the general assembly, or resolved in another way.

[20-12-5.5-2(a)(1)] **Sec. 2-5. (a) Subject to this section**, in addition to projects authorized by the general assembly, the **board of** trustees of ~~each higher education a~~ **state educational** institution may engage in ~~any of the following projects so long as there are funds available for the project and the project meets any of the applicable conditions:~~

~~(1) Each a~~ project to:

(1) construct buildings or facilities of a cost greater than five hundred thousand dollars (\$500,000); or ~~to~~

(2) purchase or lease-purchase land, buildings, or facilities the principal value of which exceeds two hundred fifty thousand dollars (\$250,000); ~~must be~~

**only if there are funds available for the project, the project meets any of the applicable conditions, and the project is reviewed by the commission for higher education and approved by the governor upon recommendation of the budget agency.**

**(b) If:**

(1) any part of the cost of ~~the a~~ project ~~as specified in section 3 of this chapter described in subsection (a)~~ is paid by state appropriated funds or by mandatory student fees assessed all students; and if

(2) the project is to:

(A) construct buildings or facilities of a cost greater than five hundred thousand dollars (\$500,000); or ~~to~~

(B) purchase or lease-purchase land, buildings, or facilities the principal value of which exceeds three hundred thousand dollars (\$300,000);

the project must also be approved by the general assembly.

**(c) Nothing herein limits This section does not limit the board of** trustees in supplementing ~~projects a~~ **project** approved by the general assembly from gifts or other available funds so long as approval for the expansion of ~~projects the project~~ is given by the governor on review by the commission for higher education and recommendation of the budget agency.

~~(b) (d)~~ **(d)** The review and approval requirements of ~~subsection (a)(1)~~ **this section** do not apply to a project to:

(1) construct buildings or facilities; or ~~to~~

(2) purchase or lease-purchase land, buildings, or facilities;

if the project involves the expansion or improvement of housing for students undertaken entirely by a fraternity or sorority at the state



educational institution.

[20-12-5.5-2(a)(2)] **Sec. 6. (a) Subject to subsection (b), in addition to projects authorized by the general assembly, the board of trustees of each higher education a state educational institution may engage (2) Each in a repair and rehabilitation project must be if for which:**

(1) the cost of the project exceeds seven hundred fifty thousand dollars (\$750,000); and if

(2) any part of the cost of the project is paid by state appropriated funds or by mandatory student fees assessed all students;

**only if the project is** reviewed by the commission for higher education and approved by the governor, on recommendation of the budget agency. ~~if the cost of the project exceeds seven hundred fifty thousand dollars (\$750,000) and if any part of the cost of the project is paid by state appropriated funds or by mandatory student fees assessed all students.~~

**(b) If no part of the cost of the a repair and rehabilitation project is** paid by state appropriated funds or by mandatory student fees assessed all students, the review and approval requirements of this ~~subdivision section~~ apply only if the project exceeds one million dollars (\$1,000,000).

[20-12-5.5-2(a)(3)] **Sec. 7. In addition to projects authorized by the general assembly, the board of trustees of each higher education a state educational institution may engage (3) Each in a project:**

(1) to lease, other than a project to lease-purchase, a building or facility; ~~must be and~~

(2) **for which** the annual cost of the project exceeds one hundred fifty thousand dollars (\$150,000);

**only if the project is** reviewed by the commission for higher education and approved by the governor, on recommendation of the budget agency. ~~if the annual cost of the project exceeds one hundred fifty thousand dollars (\$150,000).~~

[20-12-5.5-3] ~~Sec. 3.~~ **8.** The cost of any project authorized under this chapter ~~may include~~ **includes** the following:

(1) The estimated cost of architectural, engineering, and consulting services.

(2) The estimated cost of the construction and any repair and rehabilitation project.

(3) The purchase price of any land to be purchased for the project.

(4) For lease-purchase projects, the aggregate rent to be paid over the terms of the lease and over any additional period for which the ~~higher education state educational~~ institution has an option for extension or renewal.

(5) The cost of equipment.

(6) ~~The~~ interest costs during construction. ~~and~~



(7) Other costs approved by the ~~state~~ budget agency.  
 [20-12-5.5-4] Sec. ~~4~~**9**. To pay the cost of a project authorized under this chapter, the following funds may be used:

(1) ~~Any~~ Funds appropriated in **any state fiscal year** for the project by the ~~current or any preceding~~ general assembly, subject to allocation of the funds by the ~~state~~ budget agency, with approval of the governor.

(2) ~~Any~~ Funds derived from the issuance and sale of bonds by the **board of** trustees of any of the **higher education state educational** institutions, so long as the issuance of the bonds ~~which that~~ are to be supported by mandatory student fees assessed all students has been approved by the general assembly for each applicable project.

(3) ~~Any~~ Funds derived from earnings, farm and miscellaneous sales, or other receipts, so long as ~~each a~~ project to:

(A) construct buildings or facilities of a cost of greater than ninety thousand dollars (\$90,000); or ~~each project to~~

(B) purchase or lease-purchase land, buildings, or facilities the principal value of which exceeds fifty thousand dollars (\$50,000);

is reviewed by the commission for higher education and approved by the governor, on recommendation of the budget agency.

(4) ~~Any~~ Federal funds granted and allowed a **higher education state educational** institution for a project to construct buildings or facilities, so long as each project:

(A) of a cost of greater than ninety thousand dollars (\$90,000); or ~~each project~~

(B) to purchase or lease-purchase land, buildings, or facilities the principal value of which exceeds fifty thousand dollars (\$50,000);

is reviewed by the commission for higher education and approved by the governor, on recommendation of the budget agency.

(5) ~~Any~~ Available funds derived from gifts, bequests, devises, or ~~from any~~ other source not listed in ~~provisions subdivisions~~ (1) through (4), ~~of this section~~, so long as each project to:

(A) construct buildings or facilities of a cost of greater than ninety thousand dollars (\$90,000); or ~~each project to~~

(B) purchase or lease-purchase land, buildings, or facilities the principal value of which exceeds fifty thousand dollars (\$50,000);

is reviewed by the commission for higher education and approved by the governor, on recommendation of the budget agency.

[20-12-5.5-5] Sec. ~~5~~**10**. The general assembly may appropriate fee replacement ~~monies~~ **money** for the replacement of student fees dedicated to pay:

(1) the principal and interest costs of bonds as approved by the



1 general assembly; and

2 (2) ~~for~~ lease-purchase costs.

3 **Chapter 4. Qualified Energy Savings Projects**

4 [20-12-5.5-7(d)] ~~(d)~~ **Sec. 1.** A ~~higher education~~ **state educational**  
 5 institution may undertake a qualified energy savings project as  
 6 provided in this ~~section~~ **chapter**. If the part of the qualified energy  
 7 savings project related to real property improvements is greater than  
 8 five hundred thousand dollars (\$500,000), the project must be reviewed  
 9 by the commission for higher education and approved by the governor  
 10 and the budget director on the recommendation of the budget  
 11 committee. A qualified energy savings project does not require the  
 12 prior approval of the general assembly, notwithstanding the source of  
 13 payment for the project or bonds issued to fund the project.

14 [20-12-5.5-7(e)] ~~(e)~~ **Sec. 2.** A ~~higher education~~ **state educational**  
 15 institution may submit a request for proposals to qualified providers for  
 16 an energy cost savings contract and may enter into an energy cost  
 17 savings contract with a qualified provider under this ~~section~~ **chapter**.  
 18 The contract must provide that all payments, except obligations on  
 19 termination of the contract before its expiration, are to be made over  
 20 time. The contract may provide that energy cost savings are guaranteed  
 21 by the qualified provider to the extent necessary to make payments for  
 22 the qualified energy savings project. A qualified provider shall provide  
 23 a sufficient bond to the ~~higher education~~ **state educational** institution  
 24 for the installation and the faithful performance of all the measures  
 25 included in the contract. The contract may also include contracts for  
 26 building operation programs and maintenance and management or  
 27 similar agreements with the qualified provider to reduce energy or  
 28 operational costs.

29 [20-12-5.5-7(f)] ~~(f)~~ **Sec. 3.** A request for proposals must include the  
 30 following:

31 (1) The name and address of the ~~higher education~~ **state**  
 32 **educational** institution.

33 (2) The name, address, title, and phone number of a contact  
 34 person.

35 (3) The date, time, and place where proposals must be received.

36 (4) Evaluation criteria for assessing the proposals.

37 (5) A reasonably functional description of the facilities to be  
 38 covered by the request for proposals or the maximum dollar cost  
 39 of the qualified energy savings project subject to the request for  
 40 proposals, or both.

41 (6) Any other stipulations and clarifications the ~~higher education~~  
 42 **state educational** institution may require.

43 [20-12-5.5-7(g)] ~~(g)~~ **Sec. 4.** The ~~higher education~~ **state educational**  
 44 institution shall select the qualified provider and enter into an energy  
 45 cost savings contract or contracts for a qualified energy savings project  
 46 that best meets the needs of the ~~higher education~~ **state educational**



1 institution. The ~~higher education state educational~~ institution shall  
 2 provide public notice of the meeting at which it proposes to award an  
 3 energy cost savings contract by publication one (1) time, at least ten  
 4 (10) days in advance, in newspapers described in IC ~~4-1-5-1-~~  
 5 **IC 21-32-3-3**. The public notice must disclose the names of parties to  
 6 the proposed energy cost savings contract and contain a reasonably  
 7 functional description of the qualified energy savings project and the  
 8 measures covered by the contract and project.

9 [20-12-5.5-7(h)] ~~(h)~~ **Sec. 5.** After reviewing proposals submitted  
 10 under this ~~section;~~ **chapter**, a ~~higher education state educational~~  
 11 institution may enter into energy cost savings contracts with a qualified  
 12 provider if the ~~higher education state educational~~ institution  
 13 reasonably expects that the cost of a qualified energy savings project  
 14 recommended in the proposal would not exceed the amount to be saved  
 15 in either energy or operational costs, or both, within the ten (10) year  
 16 period following the date installation is complete if the  
 17 recommendations in the proposal are followed. An energy cost savings  
 18 contract may also include a guaranty from the qualified provider to the  
 19 ~~higher education state educational~~ institution that either the energy or  
 20 operational cost savings, or both, will meet or exceed the cost of the  
 21 energy cost savings projects not later than ten (10) years after the date  
 22 installation is complete.

23 [20-12-5.5-7(i)] ~~(i)~~ **Sec. 6.** Energy cost and operational savings  
 24 realized from a qualified energy savings project and an energy cost  
 25 savings contract ~~shall do~~ not reduce the amount of state appropriations  
 26 otherwise available to the ~~higher education state educational~~  
 27 institution.

## 28 **Chapter 5. Ball State University**

29 [20-12-57.5-11(d)] ~~(d)~~ **Sec. 1.** The board of trustees of Ball State  
 30 University may borrow money and issue bonds as authorized by the  
 31 Indiana general assembly.

## 32 **Chapter 6. University of Southern Indiana**

33 ~~Sec. 14. 1.~~ [20-12-64-14] In addition to authority to issue bonds as  
 34 may be ~~from time to time~~ periodically provided, the board of trustees  
 35 of the University of Southern Indiana may issue refunding bonds or  
 36 advance refunding bonds under ~~IC 20-12-6,~~ IC 20-12-7, **IC 21-34,**  
 37 **IC 21-35-2,** and ~~IC 20-12-9~~ **IC 21-35-4** for bonds of the Indiana State  
 38 University board of trustees issued to finance facilities on the regional  
 39 campus comprising part of the University of Southern Indiana after  
 40 July 1, 1985.

41 SECTION 45. IC 21-34 IS ADDED TO THE INDIANA CODE AS  
 42 A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1,  
 43 2007]:

44 **ARTICLE 34. STATE EDUCATIONAL INSTITUTIONS:**  
 45 **ACQUISITION AND IMPROVEMENT OF BUILDING**  
 46 **FACILITIES AND EQUIPMENT; BONDS**



## Chapter 1. General Provisions; Definitions

[20-12-6-1 (part)] Sec. 1. The trustees of Indiana University; the trustees of Purdue University; the Ball State University board of trustees; the Indiana State University board of trustees; the board of trustees for Vincennes University; the University of Southern Indiana board of trustees; and the trustees of Ivy Tech Community College of Indiana (sometimes referred to in this chapter collectively as "corporations" or respectively as "corporation") are respectively authorized; from time to time **This article applies to all state educational institutions.**

[20-12-6-14] Sec. ~~14~~ **2.** This chapter ~~shall~~ **article does** not apply to the acquisition, construction, financing, or refinancing of any revenue producing facility ~~which the corporations are that a state educational institution is~~ authorized to acquire, construct, or finance under the provisions of IC ~~20-12-8 or IC 20-12-7.~~ **IC 21-35-2 or IC 21-35-3.**

[20-12-6-18] Sec. ~~18~~ **3.** This chapter ~~article shall not be construed to does not~~ repeal, modify, or amend any **Indiana** law of this state in force effect on March 10, 1965, but ~~shall be deemed as is~~ supplemental thereto. **to the laws of this state in effect on March 10, 1965.**

[20-12-6-19] Sec. ~~19~~ **4.** Nothing in This chapter ~~article shall be construed to does not~~ affect the validity of any contracts executed prior to before March 10, 1965.

[New] Sec. **5.** The definitions in this chapter apply throughout this article.

[20-12-6-13;] Sec. ~~13~~ **6.** The term "Bond" or "bonds" as used in this chapter means any:

- (A) bonds (including refunding bonds);
- (B) notes;
- (C) temporary, interim, or permanent certificates of indebtedness;
- (D) debentures; or
- (E) other obligations;

evidencing indebtedness for borrowed money **under this article.** The term does not include installment contracts or similar instruments under ~~section 2 of this chapter.~~ **IC 21-34-3-4.**

[20-12-6-1 (part); 20-12-6-1.2(b)(1)] ~~(b)~~ Sec. 7. ~~As used in this chapter: (1) "Building facility" includes means the following:~~

- (1) Any buildings, structures, improvements, or facilities.
- (2) Any utilities, other services, and appurtenances related to an item described in subdivision (1) (including ~~but not limited to,~~ facilities for the production and transmission of heat, light, water and power, sewage disposal facilities, streets and walks, and parking facilities). ~~and~~
- (3) The land required for items described in subdivision (1) or (2).

The term includes equipment.

[New] Sec. **8.** "Building facilities fee" refers to a building facilities fee imposed under IC 21-34-5-1.





[New] **Sec. 9. "Building facilities fund" refers to a building facilities fund established under IC 21-34-5-3.**

[20-12-6-6(g)] ~~(g)~~ **Sec. 10. As used in this chapter, "Cost" means:**

(1) all or any part of the cost of construction and acquisition of all lands, structures, real or personal property, rights, rights-of-way, franchises, easements, and interests acquired or used under this ~~chapter;~~ **article.**

(2) the cost of demolishing or removing any buildings or structures on land so acquired, including the cost of acquiring any lands to which the buildings or structures may be moved;

(3) the cost of all machinery and equipment, financing charges, **and** interest ~~prior to;~~ **before,** during, and for a period not exceeding one (1) year after the estimated date of completion of construction or acquisition;

(4) ~~the~~ reserves for debt service and for extensions, enlargements, additions, replacements, renovations, and improvements to building facilities;

(5) ~~the~~ cost of architectural, engineering, trustee, financial, legal, and related services;

(6) ~~the~~ act of underwriters;

(7) ~~the~~ cost of plans, specifications, studies, surveys, and estimates of cost and of revenues;

(8) ~~the~~ administrative expenses, expenses necessary or incident to determining the feasibility or practicability of any undertaking under this ~~chapter;~~ **article;** and

(9) other expenses as may be necessary or incident to the construction, acquisition, and the financing of any undertaking under this ~~chapter;~~ **article.**

[20-12-6-1.2(b)(4)] ~~(4)~~ **Sec. 11. "Eligible members" includes ~~the~~ corporations all:**

(1) **state educational institutions;** and ~~all~~

(2) private institutions of higher education. ~~(as defined in IC 20-12-63-3); and~~

[20-12-6-17(d)] ~~(d)~~ **Sec. 12. As used in this subsection, "Fee replacement" means payments to a ~~corporation~~ state educational institution to be used to pay indebtedness resulting from financing the cost of:**

(1) planning;

(2) purchasing;

(3) rehabilitation;

(4) construction;

(5) repair;

(6) leasing;

(7) lease-purchasing; or

(8) otherwise acquiring;

land, buildings, facilities, and equipment to be used for academic and



1 instructional purposes. A power granted under this section to issue  
 2 bonds without the specific approval of the general assembly shall not  
 3 be construed to permit the issuance of the bonds without the specific  
 4 approvals required under section 16 of this chapter. Bonds issued  
 5 without the specific approval of the general assembly are not eligible  
 6 for fee replacement.

7 [20-12-6-8.5(e)] ~~(e)~~ **Sec. 13.** As used in this section, "Grant" means  
 8 any money received from:

9 (1) the United States government or any of its agencies;

10 (2) the state of Indiana or any of its agencies; or from

11 (3) any a private corporation, trust, or foundation;

12 to be used for the acquisition, improvement, renovation, or construction  
 13 of building facilities that the corporation a state educational  
 14 institution may lawfully undertake.

15 [New] **Sec. 14.** "Grant anticipation loan" refers to a loan  
 16 entered into under IC 21-34-7-1.

17 [New] **Sec. 15.** "Indenture" refers to an indenture issued under  
 18 this article for the issuance of bonds.

19 [20-12-6-9(a) (part)] **Sec. 16.** "Joint-use agreements" means  
 20 agreements between two (2) or more state educational institutions  
 21 providing for the joint use of building facilities.

22 [20-12-6-1.2(b)(5)] ~~(5)~~ **Sec. 17.** "Liability" means legal liability for  
 23 damages (including costs of defense, legal costs and fees, and other  
 24 claims expenses) because of injuries to other persons or entities,  
 25 damage to their property or business, or other damage or loss to those  
 26 persons or entities resulting from or arising out of any activity of any  
 27 an eligible member.

28 [20-12-6-1.2(b)(2)] ~~(2)~~ **Sec. 18.** "Liability or other loss insurance  
 29 reserves" means a fund set aside as a reserve to cover risk retained by  
 30 the corporation in connection with a liability claims claim or other  
 31 losses: loss.

32 [New] **Sec. 19.** "Resolution" in a provision of this article  
 33 concerning the issuance of bonds, refers to a resolution adopted by  
 34 the board of trustees of a state educational institution related to the  
 35 issuance of bonds.

36 [20-12-6-1.2(b)(3)] ~~(3)~~ **Sec. 20.** "Risk retention group" means a  
 37 trust, pool, corporation, partnership, or joint venture funded by and  
 38 owned and operated for the benefit of more than one (1) eligible  
 39 member.

## 40 Chapter 2. Liability or Other Loss Insurance Reserves; Risk 41 Retention Groups

42 [20-12-6-1.2(a)(2)] ~~(2)~~ **Sec. 1.** The board of trustees of a state  
 43 educational institution may establish liability or other loss insurance  
 44 reserves or contribute those reserves or other capital to a risk retention  
 45 group for the purpose of providing to provide insurance coverage  
 46 against liability claims.



### Chapter 3. Building Facilities, Equipment, Land

[20-12-6-1 (part); 20-12-6-1.2(a)(1)] **Sec. 1. The board of trustees of a state educational institution may, as they find the necessity exists, to board of trustees finds necessary, acquire, erect, construct, reconstruct, improve, rehabilitate, remodel, repair, complete, extend, enlarge, equip, furnish, and operate**

(1) any buildings, structures, improvements, or facilities;

(2) any utilities, other services, and appurtenances related to an item described in subdivision (1) (including, but not limited to, facilities for the production and transmission of heat, light, water and power, sewage disposal facilities, streets and walks, and parking facilities); and

(3) the land required for items described in subdivision (1) or (2); as the governing boards of the corporations from time to time deem necessary building facilities for:

(1) carrying on the educational research, the public service programs, or the statutory responsibilities of the state educational institutions institution and the various divisions of the institutions state educational institution under the jurisdiction of the corporations respectively, board of trustees; or for

(2) the management, operation, managing, operating, or servicing of the institutions, (the buildings, structures, improvements, facilities, utilities, services, appurtenances, and land being sometimes referred to in this chapter collectively as "building facilities" or respectively as "building facility"): state educational institution.

[20-12-6-1 (part)] **Sec. 2. The A building facilities facility may be located at any place within Indiana at which the governing board of trustees of the corporation a state educational institution determines the need exists for the building facilities.**

[20-12-6-1.2(a)(2)] **Sec. 1-2- 3. (a) In addition to the powers set forth in section 1 of this chapter, the corporations The board of trustees of a state educational institution may (1) acquire, erect, construct, reconstruct, improve, rehabilitate, remodel, repair, complete, extend, enlarge, furnish, and operate any equipment that the governing boards of the corporations consider board of trustees of a state educational institution considers necessary for:**

(A) (1) carrying on the educational research or public service programs or discharging the statutory responsibilities of the educational institutions state educational institution and their the various divisions of the state educational institution; or

(B) (2) the management, operation, managing, operating, or servicing of the institutions; and state educational institution.

[20-12-6-2(a)] **Sec. 2- 4. (a) The corporations shall be authorized and empowered to A board of trustees of a state educational institution may:**



- (1) acquire, under this **article** or any other applicable law, by:
- (A) purchase (for cash or on contract);
  - (B) lease or sublease for ~~such a period of time~~ not exceeding forty (40) years ~~as that the respective governing boards may approve;~~ **board of trustees approves;**
  - (C) condemnation;
  - (D) trade or exchange;
  - (E) gift, devise, ~~or bequest;~~ or ~~otherwise;~~
  - (F) **other means;** and ~~to~~

(2) improve; ~~such~~ real property (improved or unimproved) and ~~such~~ personal property ~~as that the governing boards of the corporations deem board of trustees determines~~ necessary for the purposes set forth in ~~section 4 of this chapter;~~ **all subsection (b) on such the terms and conditions and subject to such the liens and encumbrances as that the governing boards may approve: board of trustees approves.**

**(b) Any action may be taken under subsection (a) that the board of trustees of the state educational institution considers** necessary for:

- (1) **carrying on the educational research, the public service programs, or the statutory responsibilities of the state educational institution and the various divisions of the state educational institution under the jurisdiction of the board of trustees; or**
- (2) **managing, operating, or servicing the state educational institution.**

[20-12-6-2(b)] ~~(b)~~ **Sec. 5.** Except as otherwise provided in ~~section 9 of this chapter;~~ **IC 21-34-4,** title to all property acquired, including the improvements ~~thereon;~~ **on acquired property, shall must** be taken and held by and in the name of the ~~respective corporations;~~ **board of trustees in their its corporate capacities; capacity** for the purposes of this ~~chapter:~~ **article.** The ~~corporations shall be authorized and empowered to~~ **A board of trustees of a state educational institution may use for such these purposes any** real or personal property:

- (1) acquired before or after March 10, 1965; or
- (2) available on or after March 10, 1965, to the ~~corporations;~~ **state educational institution,** including real estate (improved or unimproved), the title to which on or after March 10, 1965, may be in the name of the state of Indiana for the use and benefit of the ~~corporations~~ **board of trustees of the state educational institution** or the ~~state educational institutions~~ **institution** under ~~their its~~ control.

[20-12-6-2(c)] ~~(c)~~ **Sec. 6. (a)** ~~Any~~ A lessor leasing fifty percent (50%) or more of a building facility or building facilities:

- (1) to a ~~corporation~~ **state educational institution** or to ~~corporations~~ **more than one (1) state educational institution**



jointly pursuant to ~~this section~~ **sections 4 and 5 of this chapter**  
for a term of five (5) years or more; ~~which building facility or~~  
~~building facilities and~~

**(2) that** are to be acquired or constructed and erected by ~~such the~~  
lessor;

shall, before commencing the acquisition or construction and erection,  
obtain approval of the plans and specifications ~~therefor~~ **for the**  
**building facility or building facilities** by the lessee or lessees and also  
by ~~such any~~ other public agencies ~~as that~~ are required to approve plans  
and specifications for similar building facilities acquired or constructed  
and erected by ~~such the~~ lessee or lessees. ~~and such~~

**(b) The** lessor shall take bids and enter into a contract or contracts  
for the construction and erection of ~~such the~~ building facility or  
**building facilities** in accordance with the same procedures required by  
law to be followed by the lessee or lessees in the acquisition or  
construction and erection of similar building facilities.

[20-12-6-3] Sec. ~~3~~ **7. (a)** If the ~~governing board of any corporation~~  
~~shall determine board of trustees of a state educational institution~~  
**determines** to locate ~~any a~~ building facility upon real estate, the title  
to which is ~~now or may hereafter be~~ in the name of the state of Indiana  
for the use and benefit of: ~~said corporation~~

**(1) the board of trustees of the state educational institution; or**

**(2) the state educational institution under its control; then**

the parcel of real estate reasonably required for ~~such the~~ building  
facility may, upon request in writing by the ~~governing board of trustees~~  
**of the corporation state educational institution** to the governor ~~of the~~  
**state** and with the approval of the governor, be conveyed by deed from  
the state of Indiana to the ~~corporation~~ **board of trustees of the state**  
**educational institution.**

**(b)** The governor ~~shall be authorized to may~~ execute and deliver  
~~such a deed:~~

**(1)** in the name of the state of Indiana;

**(2)** signed on behalf of the state by the governor; ~~and~~

**(3)** attested by the auditor of state; **and**

**(4)** with the seal of the state affixed ~~thereto~~ **to the deed.**

#### **Chapter 4. Joint-Use Agreements**

[20-12-6-9(a)] Sec. ~~9~~ **1. (a)** It is the policy of the state ~~of Indiana~~ to  
encourage the joint use of building facilities by any two (2) or more ~~of~~  
~~the state~~ educational institutions under the jurisdiction of ~~said~~  
~~corporations~~ **the board of trustees of each state educational**  
**institution** whenever the ~~governing boards of trustees of the respective~~  
~~corporations concerned shall state educational institutions~~ find that  
~~such the~~ joint use would:

**(1)** benefit their respective **state educational** institutions; ~~and~~  
~~would~~

**(2)** be to the advantage of the state. ~~Accordingly,~~



(b) When ~~such~~ the findings described in subsection (a) are made by the ~~governing~~ boards of ~~trustees of~~ the respective ~~corporations~~ concerned, said ~~corporations~~ shall be authorized and empowered to ~~state educational institutions, the board of trustees of each state educational institution that makes the findings may enter into and perform a joint-use agreements agreement~~ providing for the joint use of building facilities. ~~Such~~

(c) A joint-use agreements (sometimes referred to in this chapter as "joint-use agreements") ~~agreement~~ may contain ~~such the~~ provisions, terms, and conditions pertaining to the acquisition, construction, financing, and use of building facilities, not inconsistent with ~~the provisions of this chapter, article, as may be approved by said governing the boards of trustees of each state educational institution that is a party to the joint-use agreement.~~

[20-12-6-9(b)(1)] ~~(b)~~ **Sec. 2.** ~~Such~~ A joint-use ~~agreements~~ ~~agreement~~ may provide, among other things, ~~(1)~~ that any ~~corporation~~ ~~which board of trustees of a state educational institution that is a party thereto to the joint-use agreement~~ may lease or sublease for any term not exceeding forty (40) years any building facility acquired by ~~said corporation the board of trustees of the state educational institution or the use of which is or may be available to said corporation, the board of trustees of the state educational institution or any portion thereof, part of the building facilities to any one (1) or more other corporation or corporations which boards of trustees of a state educational institution that are parties to said the joint-use agreement.~~

[20-12-6-9(b)(2)] **Sec. 3.** A joint-use agreement may provide, among other things, ~~(2)~~ that the ~~corporations which are parties to said board of trustees of each state educational institution that is a party to the joint-use agreement~~ may for the purpose of performing ~~said the joint-use agreement, exercise jointly and said corporations are authorized and empowered for such purpose, to exercise jointly, any and all of the powers that are severally conferred upon said corporations severally on the board of trustees of each state educational institution that is a party to the joint-use agreement by the provisions of sections 1 and 2 of this chapter article, including but not limited to, the power to acquire property by condemnation. and~~

[20-12-6-9(b)(3)] **Sec. 4.** A joint-use agreement may provide, among other things, ~~(3)~~ that:

(1) title to the real and personal property acquired or to be acquired for the joint use of the ~~corporations which are parties to said board of trustees of each state educational institution that is a party to the joint-use agreement~~ may be taken and held in the name of ~~the board of trustees of any one (1) of said corporations, the state educational institutions, subject to the provisions of said the joint-use agreement respecting the joint~~



use thereof, of the property; or that  
 (2) title to some or all of ~~said the~~ real or personal property  
 acquired or to be acquired for the joint use of the board of  
 trustees of each state educational institution that is a party to  
 the joint-use agreement may be taken and held jointly in the  
 names of all ~~corporations which~~ the boards of trustees of the  
 state educational institutions that are parties to ~~said the~~  
 joint-use agreement, as tenants in common, with ~~such the~~  
 divisions of ownership interests ~~as may be that are~~ provided in  
~~said the~~ joint-use agreement and in the documents evidencing the  
 title to ~~said the~~ property.

#### **Chapter 5. Building Facilities Fees; Building Facilities Fund**

[20-12-6-4 (part)] Sec. ~~4~~ **1.** In order to:

- (1) provide funds with which to pay part or all of the cost of any building facility, work, act, or undertaking authorized by ~~section~~ **+ IC 21-34-2, IC 21-34-3-1, or 1-2 of this chapter; IC 21-34-3-3;**
- (2) pay part or all of the cost of acquiring real or personal property by purchase, lease, sublease, condemnation, trade or exchange, or otherwise as provided in ~~section 2 of this chapter; IC 21-34-3-4;~~
- (3) pay part or all of the cost of improving any of the property;
- (4) pay the principal of and interest on bonds issued under this ~~chapter; article; or~~
- (5) perform the obligations of any joint-use agreements made under ~~section 9 of this chapter; IC 21-34-4;~~

~~the corporations the board of trustees of a state educational institution may, respectively,~~ as necessary, fix, charge, and collect a building facilities fee or fees.

[20-12-6-4 (part)] Sec. **2.** A building facilities fee may be collected from:

- (1) the students attending the ~~state educational institutions~~ **institution** and the various divisions of the ~~institutions state educational institution; and from~~
- (2) other persons enjoying the use of the facilities of the ~~institutions state educational institution and the divisions of the state educational institution.~~

[20-12-6-5(a) (part)] Sec. ~~5~~ **3.** ~~(a)~~ The board of trustees of each ~~corporation state educational institution~~ shall deposit to the credit of a special fund to be established and designated as the building facilities fund of the ~~corporation board of trustees of the state educational institution~~ or the **state educational institution** under its control:

- (1) all building facilities fees collected by the ~~corporation; state educational institution; and~~
- (2) to the extent provided or required by any resolution or trust indenture ~~(referred to in section 7 of this chapter that is adopted or approved by the governing board of trustees of the issuing corporation; state educational institution,~~ all other fees, income,



or funds pledged to secure the payment of bonds, and the interest ~~thereon; on the bonds~~ issued under this ~~chapter; article.~~

[20-12-6-5(a) (part)] **Sec. 4.** Each building facilities fund ~~shall~~ **may** be used only:

- (1) for the purposes stated in section ~~4~~ **1** of this chapter; and
- (2) in connection with the issuance of bonds under ~~the provisions of this chapter; article.~~

The uses may be further limited by the provisions stated in ~~the a~~ resolution or ~~the a~~ trust indenture (~~referred to in section 7 of this chapter that is~~ adopted or approved by the governing board of trustees of the issuing ~~corporation; state educational institution.~~

[20-12-6-5(b)] ~~(b)~~ **Sec. 5. (a)** The ~~corporations board of trustees~~ **state educational institution** may:

- (1) deposit to the credit of ~~their respective~~ **the building facilities funds of the state educational institution;** or ~~may~~
  - (2) use for any of the purposes of this ~~chapter article~~ without ~~so depositing; making a deposit in the building facilities funds;~~
- any other funds ~~which from any source that~~ may be available for any of ~~such the~~ purposes **of the building facilities funds** from whatever source derived.

~~(b) including but not limited to: The funds subject to subsection (a) include the following:~~

- (1) Student tuition and other fees, earnings, charges, rentals, interest on permanent endowment funds or other interest, or other income.
- (2) Gifts or grants from the federal government or any federal agency or instrumentality or any public or private corporation, association, or person. ~~and~~
- (3) State appropriations made specifically for any of the purposes of this ~~chapter; article.~~

[20-12-6-5(c)] ~~(c)~~ **Sec. 6.** The building facilities fees and ~~such any~~ other funds ~~as may from time to time be that are~~ deposited to the credit of the respective building facilities funds are appropriated to the ~~corporation~~ **state educational institution** for the uses provided in this ~~chapter article~~ without the necessity for any future appropriations.

[20-12-6-5(d)] ~~(d)~~ **Sec. 7.** The money in the building facilities funds may be accumulated and held by ~~the corporations~~ **a state educational institution** for the purposes of this ~~chapter article~~ and invested by ~~the corporations~~ **a state educational institution** pending the use ~~thereof; and of the money.~~ Interest, dividends, or gains resulting from ~~such~~ investments ~~shall~~ **must** be credited to ~~such the building facilities funds.~~

[20-12-6-5(e)] ~~(e)~~ **Sec. 8.** ~~In the event If~~ bonds ~~shall be~~ **are** issued in anticipation of the collection of building facilities fees, the issuing ~~corporation~~ **board of trustees of a state educational institution** shall fix, charge, and collect ~~such the building facilities~~ fees in amounts





sufficient, together with other available funds, to pay the ~~the~~ interest on and the principal of ~~such~~ the bonds, in accordance with the terms ~~thereof, of the bonds~~, so long as any of the bonds ~~shall be~~ are outstanding.

[20-12-6-9(c)] ~~(c)~~ **Sec. 9. The board of trustees of each corporation which state educational institution** that is a party to a joint-use agreement shall:

- (1) fix, charge, and collect its own building facilities fees; and
  - (2) establish, hold, invest, and use its own building facilities fund.
- and

**The board of trustees** may use ~~said the~~ building facilities fees and the ~~moneys money~~ in ~~said the~~ building facilities fund and any other available funds to pay its portion of the cost of the joint building facility as provided in the joint-use agreement. ~~and No corporation~~ **The board of trustees of a state educational institution shall may not** have any authority or responsibility ~~whatsoever~~ with respect to the building facilities fees or fund of any other ~~corporation~~. **state educational institution.**

#### **Chapter 6. Issuance of Bonds**

[20-12-6-6(a) (part)] ~~Sec. 6. 1. (a)~~ **The corporations, respectively, board of trustees of a state educational institution** may borrow money and evidence the loans by the issuance and sale of bonds of the ~~respective corporations~~ **board of trustees of the state educational institution** to provide funds with which to:

- (1) pay part or all of the cost of any building facility, work, act, or undertaking authorized by ~~sections + IC 21-34-2, IC 21-34-3-1, or 1-2 of this chapter; IC 21-34-3-3; to~~
- (2) pay part or all of the cost of acquiring (by purchase, lease, sublease, condemnation, trade, or otherwise) or improving real or personal property under ~~section 2 of this chapter; IC 21-34-3-4; or to~~
- (3) perform the obligations of any joint-use agreements ~~made under section 9 of this chapter. IC 21-34-4.~~

[20-12-6-6(a) (part)] **Sec. 2.** ~~The~~ Bonds and the interest on the bonds may be secured by **the following**:

- (1) **A** pledge or mortgage of:
    - (A) any property, real or personal, used, acquired, or to be acquired and used for the purposes of this ~~chapter; article~~; and
    - (B) the improvements made or to be made on the property.
- ~~except that~~

**However**, no real estate, the title to which is on or after March 10, 1965, in the name of the state for the use and benefit of the ~~corporation~~ **board of trustees of a state educational institution** or **the state** educational institution under its control, ~~shall may~~ **not** be pledged or mortgaged until the title to the real estate has been conveyed to the ~~corporation~~ **board of trustees of the state**



1 **educational institution** under ~~section 3 of this chapter.~~ **article.**

2 (2) A pledge of the building facilities fees to be collected and  
3 deposited in the building facilities fund.

4 (3) Subject to outstanding liens and encumbrances, **and any**  
5 **covenants, agreements, or encumbrances on the funds existing**  
6 **at the time of a pledge,** a pledge of general student tuition fees  
7 or any other available funds from whatever source derived ~~which,~~  
8 **that** under ~~section 5 of this chapter~~ **IC 21-34-5-5** may be used for  
9 any of the purposes of this ~~chapter~~ **subject to any covenants,**  
10 **agreements, or encumbrances thereon then existing.** **article.**

11 (4) A pledge of any other money deposited in ~~the~~ **a** building  
12 facilities fund.

13 (5) A pledge of the proceeds of bonds issued under this ~~chapter.~~  
14 **or article.**

15 (6) Any one (1) or more of the ways described in this ~~subsection~~  
16 **as section that** the ~~governing~~ board of **trustees of** the issuing  
17 ~~corporation may determine.~~ **state educational institution**  
18 **determines.**

19 [20-12-6-6(b)] ~~(b)~~ **Sec. 3.** The lien of the pledges or mortgages, to  
20 the extent of the lien, unless otherwise determined by the ~~governing~~  
21 board of **trustees of the corporation,** **state educational institution,**  
22 ~~shall be~~ **is** a first and primary lien for the payment of the bonds secured  
23 and the interest on the bonds.

24 [20-12-6-6(c)] ~~(c)~~ **Sec. 4.** In authorizing the issuance of bonds for  
25 any building facility or facilities, the ~~governing~~ board of the issuing  
26 ~~corporation~~ **state educational institution** may:

27 (1) limit the amount of bonds that may be issued as a first lien and  
28 charge against the property, fees, income, and funds; and ~~may~~

29 (2) provide, ~~for the issuance from time to time thereafter~~ **after the**  
30 **original issuance of bonds, for the issuance** of additional bonds  
31 secured by the same lien to provide funds to:

32 (A) pay the cost of acquiring, erecting, constructing,  
33 reconstructing, improving, rehabilitating, remodeling,  
34 repairing, completing, extending, enlarging, equipping, or  
35 furnishing the building facility or facilities ~~on account of~~ **for**  
36 which the original bonds were issued; or ~~to~~

37 (B) provide funds to pay the cost of additional building  
38 facilities under this ~~chapter;~~ **article;**

39 or both.

40 [20-12-6-6(d)] ~~(d)~~ **Sec. 5.** Additional bonds:

41 (1) shall be issued on the terms and conditions ~~as that~~ the board  
42 ~~may determine~~ **of trustees of the issuing state educational**  
43 **institution determines;** and

44 (2) may be:

45 (A) secured equally and ratably, without preference, priority,  
46 or distinction, with the original issue of bonds; or ~~may be~~



- 1           **(B)** made junior to the original issue of bonds.
- 2           [20-12-6-6(e)] ~~(e)~~ **Sec. 6.** The ~~corporations~~ **board of trustees of a**
- 3 **state educational institution** may also have the power to issue bonds
- 4 for the purpose of:
- 5           (1) reimbursing the ~~corporation~~ **state educational institution** for
- 6 funds expended or advanced for interim financing of the cost of
- 7 any building facility or facilities ~~prior to~~ **before** the issuance of
- 8 bonds ~~on account thereof~~; **for the facility or facilities**; or
- 9           (2) subject to existing covenants and agreements with the holders
- 10 of the outstanding obligations:
- 11           **(A)** funding outstanding obligations incurred or refunding
- 12 outstanding bonds issued either under: ~~the provisions of:~~
- 13               **(i)** this ~~chapter~~; **article**; or
- 14               **(ii)** other applicable law;
- 15           for building facilities approved by the governor and the budget
- 16 agency or its predecessor; or
- 17           **(B)** in part for funding or refunding purposes and in part for
- 18 any other purpose authorized by this ~~chapter~~; **article**; and
- 19 may secure the payment of the bonds as provided in this ~~chapter~~.
- 20 **article.**
- 21           [20-12-6-6(f)] ~~(f)~~ **Sec. 7.** Refunding bonds may be exchanged for
- 22 the bonds being funded or refunded or may be sold and the proceeds
- 23 applied to the funding or refunding.
- 24           [20-12-6-7(a)] ~~Sec. 7.~~ **8.** ~~(a)~~ Subject to **any approval required**
- 25 **under sections 16 and 17 of this chapter, IC 21-34-10**, bonds may be
- 26 issued in an amount or amounts that do not exceed the maximum
- 27 amount determined by the ~~governing~~ board of **trustees of the issuing**
- 28 ~~corporation~~; **state educational institution.**
- 29           [20-12-6-7(b)] ~~(b)~~ **Sec. 9.** ~~The~~ Bonds may be issued in the form and
- 30 upon the terms and conditions, at the rate or rates of interest, and in the
- 31 denominations ~~which~~ **that** may be made convertible into different
- 32 denominations as the governing board of the ~~corporation~~ **may**
- 33 ~~determine~~ **board of trustees of the state educational institution**
- 34 **determines** by:
- 35           **(1)** the adoption of a resolution; or
- 36           **(2)** approval of a form of trust indenture between the ~~corporation~~
- 37 **board of trustees of the state educational institution** and a
- 38 designated corporate trustee;
- 39 or both.
- 40           [20-12-6-7(c)] ~~(c)~~ **Sec. 10.** ~~The~~ **A** resolution or ~~the~~ indenture **for**
- 41 **bonds** may include provisions for:
- 42           (1) protecting and enforcing the rights and remedies of the holders
- 43 of the bonds being issued;
- 44           (2) covenants setting forth the duties of the ~~corporation~~ **state**
- 45 **educational institution** and its officers in relation to:
- 46           **(A)** the acquisition, construction, operation, maintenance, use,



and abandonment of the building facility; and

**(B) insurance thereof; of the building facility;**

(3) the custody, safeguarding, application, and investment of all money;

(4) the rights and remedies of the trustee and the holders of the bonds being issued;

(5) the issuance of additional bonds as provided in the resolution or indenture; and

(6) other terms, conditions, and covenants as the governing board of trustees of the corporation determines state educational institution determine are proper, including provision for the establishment of a debt service reserve by:

(A) the use of bond proceeds or other sources;

(B) the furnishing of an insurance policy, surety bond, or letter of credit; or

(C) any combination of clause (A) or (B).

[20-12-6-7(d)] ~~(d)~~ **Sec. 11.** The Bonds shall must be sold at public or negotiated sale as provided by IC ~~4-1-5~~ **IC 21-32-3.**

[20-12-6-7(e)] ~~(e)~~ **Sec. 12.** All bonds and the interest coupons appertaining to the bonds issued under this chapter article shall must be negotiable instruments within the meaning and for all purposes under the Indiana laws, of this state, subject only to the provisions of the bonds for registration as to principal or as to principal and interest. Any bonds registered as to principal and interest may be made convertible to bearer bonds with coupons.

[20-12-6-7(f); 20-12-6-7(g)] ~~(f)~~ **Sec. 13. (a)** No An action to contest the validity of any bonds issued under this chapter article shall may not be brought after the fifteenth day following:

(1) the first publication of notice of the sale or intent to sell the bonds under ~~IC 4-1-5~~ **IC 21-32-3** if the bonds are sold at public sale; or

(2) the publication one (1) time in newspapers described in ~~IC 4-1-5~~ **IC 21-32-3-3** of notice of execution and delivery of the contract of sale for the bonds if the bonds are sold at negotiated sale.

[20-12-6-7(g)] ~~(g)~~ **(b)** The corporation board of trustees of a state educational institution shall publish notice under subsection ~~(f)(2)~~ **(a)(2)** if it sells bonds at negotiated sale within thirty (30) days of execution of the contract of sale for the bonds.

[20-12-6-7(h) (part)] ~~(h)~~ **Sec. 14.** The rate or rates of interest of the bonds may be fixed or variable. Variable rates shall be determined in the manner and in accordance with the procedures set forth in the resolution or indenture authorizing the issuance of the bonds. Bonds bearing a variable rate of interest may be converted to bonds bearing a fixed rate or rates of interest to the extent and in the manner set forth in the resolution or indenture pursuant to under which the bonds are



1 issued.

2 [20-12-6-7(h) (part)] **Sec. 15.** ~~The~~ Interest may be:

3 (1) payable semiannually, annually, or at any other interval or  
4 intervals as may be provided in the resolution or indenture; or ~~the~~  
5 ~~interest may be~~

6 (2) compounded and paid at maturity or at any other times as  
7 specified in the resolution or indenture.

8 [20-12-6-7(i)] ~~(i)~~ **Sec. 16.** ~~The~~ Bonds may be made subject, at the  
9 option of the holders, to mandatory redemption by the ~~corporation~~  
10 **board of trustees of the state educational institution** at the times and  
11 under the circumstances set forth in the authorizing resolution or  
12 indenture.

13 [20-12-6-7(j)] ~~(j)~~ **Sec. 17.** A resolution or ~~the~~ indenture may contain  
14 provisions regarding:

15 (1) the investment of money, sale, exchange, or disposal of  
16 property; and

17 (2) the manner of authorizing and making payments,  
18 notwithstanding IC 5-13 or any general statute relating to these  
19 matters.

20 [20-12-6-8] ~~Sec. 8:~~ **18.** (a) ~~The~~ Bonds and coupons appertaining  
21 ~~thereto to bonds~~ shall be executed in the name of the issuing  
22 ~~corporation state educational institution~~ by the manual or facsimile  
23 signatures of ~~such the~~ officer or officers of the ~~corporation as state~~  
24 **educational institution that the governing board of trustees of the**  
25 ~~corporation shall state educational institution designate: designates.~~

26 (b) One (1) signature on the obligation ~~shall~~ **must** be manual and  
27 may be either the signature of one (1) of the officers or of any trustee,  
28 fiscal agent, or other fiduciary charged with authenticating the bonds.

29 (c) The seal or a facsimile ~~thereof~~ of **the seal of the corporation**  
30 **state educational institution** shall be affixed, imprinted, engraved, or  
31 otherwise reproduced on each bond.

32 (d) ~~In the event If~~ any officer whose manual or facsimile signature  
33 appears on any bond or coupon ~~shall cease~~ **ceases** to be an officer  
34 before the delivery of ~~such the~~ bonds, the officer's signature ~~shall,~~  
35 ~~nevertheless, be is~~ valid and sufficient for all purposes as if ~~he the~~  
36 **officer** had remained in office until ~~such~~ delivery.

37 (e) The resolution or indenture ~~pursuant to under~~ which ~~such the~~  
38 bonds are issued may provide for the authentication of the bonds by the  
39 trustee, fiscal agent, or other fiduciary designated ~~therein: in the~~  
40 **resolution or indenture.**

#### 41 **Chapter 7. Grant Anticipation Loans**

42 [20-12-6-8.5(a)] ~~Sec. 8-5:~~ **1.** (a) Any ~~corporation board of trustees~~  
43 **of a state educational institution** that has entered into a written  
44 contract for a grant, pending the receipt of the grant, but within the  
45 limitations set forth in ~~this~~ **section 2 of this chapter**, may:

46 (1) borrow from any person; and



(2) evidence the debt by a note or a series of notes of equal or unequal amounts containing ~~such the~~ terms and conditions as ~~that the governing board of trustees the corporation prescribes.~~ **state educational institution prescribes.**

(b) Any note may pledge, for the payment of the principal and interest ~~thereof, of the note:~~

(1) the proceeds of the grant; and

(2) any revenue that may be derived from the building facility being constructed, acquired, renovated, or improved by the proceeds of the note or notes.

[20-12-6-8.5(b)] ~~(b)~~ **Sec. 2.** A **grant anticipation** loan ~~made under this section~~ may not exceed eighty percent (80%) of the estimated amount of the grant in anticipation of which the loan is made. ~~Further, The corporation board of trustees of the state educational institution~~ shall make prepayments of the outstanding balance of its note or retire one (1) or more of its series of outstanding notes promptly upon partial receipt of grant funds so that the outstanding amount of any loan ~~made under this section~~ does not exceed the balance of the grant funds yet to be received.

[20-12-6-8.5(c)] ~~(c)~~ **Sec. 3.** The notes **for a grant anticipation loan** ~~shall~~ **must** be:

(1) executed in the same manner as provided for bonds in ~~section 8 of this chapter; IC 21-34-6-18; and the notes shall be~~

(2) sold in the same manner as provided for bonds in ~~section 7 of this chapter; IC 21-34-6-8 through IC 21-34-6-17.~~

[20-12-6-8.5(d)] ~~(d)~~ **Sec. 4.** The ~~governing board of trustees of the corporation a state educational institution~~ shall apply the proceeds of any **grant anticipation** notes ~~issued under this section~~ to those items of cost for which the grant has been allocated by the granting agencies. The purchaser of any notes:

(1) is not liable for any improper use of the proceeds; and ~~the purchaser~~

(2) does not have to insure that the amount of the loan stays within the maximum limits **specified in section 2 of this chapter** as grant funds are ~~from time to time~~ received by the ~~corporation.~~ **state educational institution.**

## **Chapter 8. Bonds: Liability for Debt; Tax Exempt Status; Eligibility as Investments**

[20-12-6-9(d)] ~~(d)~~ **Sec. 1.** Nothing contained in ~~IC 21-34-4 or another provision of this chapter article shall~~ **may not** be construed so as to make any ~~corporation board of trustees of a state educational institution~~ liable for any indebtedness, bonds, or obligations incurred, created, or issued under the authority of this ~~chapter article~~ by any other ~~corporation.~~ **state educational institution.**

[20-12-6-10] ~~Sec. 10: 2.~~ All indebtedness, bonds, or obligations incurred, created, or issued under the authority of this ~~chapter shall be~~



1 **article:**

2 (1) **are** payable solely out of the building facilities fund ~~referred~~  
3 ~~to in section 5 of this chapter~~ and the property, fees, income, and  
4 funds pledged or mortgaged as authorized; and ~~shall~~

5 (2) **may** not be or become an indebtedness of or liability against  
6 the state of Indiana ~~nor said respective corporations; or a state~~  
7 **educational institution**, except to the extent of the property, fees,  
8 income, and funds pledged or mortgaged as authorized.

9 [20-12-6-11] Sec. ~~11~~ **3**. All:

10 (1) **the:**

11 (A) property acquired under authority of this ~~chapter article~~ or  
12 used for the purposes provided for in this ~~chapter; article~~; and  
13 ~~the~~

14 (B) income ~~therefrom~~ **from property described in clause**  
15 (A); ~~shall be~~

16 **are** exempt from all taxation in ~~the state of~~ Indiana; and ~~all~~

17 (2) bonds issued under the authority ~~given in of this chapter;~~  
18 **article**, the interest ~~thereon~~, **on the bonds**, and the proceeds  
19 ~~thereof shall be of the bonds are~~ exempt from taxation to the  
20 extent provided in IC 6-8-5.

21 [20-12-6-12] Sec. ~~12~~ **4**. Any bonds issued ~~pursuant to under~~ the  
22 provisions of this ~~chapter shall be~~ **article are:**

23 (1) eligible investments for the funds of any kind or character of  
24 every financial institution, insurance company, or private trust;  
25 and ~~such bonds shall be~~

26 (2) eligible for deposit by any financial institution, insurance  
27 company, or trustee under any **Indiana** law ~~of this state~~ providing  
28 for the deposit of securities or funds.

29 **Chapter 9. Contracts; Approval by the Budget Agency**

30 [20-12-6-15(a)] Sec. ~~15~~ **1**. ~~(a) Except as provided by this chapter,~~  
31 ~~contracts to:~~

32 (1) acquire land for or to construct, purchase, lease, sublease, or  
33 otherwise acquire; or

34 (2) engage architectural or engineering services in connection  
35 with;

36 any building facilities to be financed in whole or in part by the issuance  
37 of bonds under this ~~chapter article~~ or by student building facilities fees  
38 charged and collected under this ~~chapter; article~~, may not be made by  
39 a ~~corporation~~ **state educational institution** without the specific  
40 approval of the budget agency and the governor.

41 [20-12-6-15(b)] ~~(b)~~ **Sec. 2**. This ~~section~~ **chapter** does not apply to  
42 any contract:

43 (1) relating to a **building** facility the cost of which does not  
44 exceed fifty thousand dollars (\$50,000); or

45 (2) for architectural or engineering services relating to the  
46 planning of a **building** facility.



**Chapter 10. Bonds; Review and Approval**

[20-12-6-16] Sec. ~~16~~ **1** No Bonds shall may not be issued by the corporations the board of trustees of a state educational institution under the provisions of this chapter article without the specific approval of the:

- (1) ~~state~~ budget committee;
- (2) budget agency; and the
- (3) governor. of the state of Indiana.

(b) The budget agency may request and consider the recommendation of the staff of the Indiana finance authority with respect to the approval of a bond issue under this section.

[20-12-6-17(a)] Sec. ~~17~~ **2**. (a) Except:

- (1) for grant anticipation notes; issued under section 8-5 of this chapter; and except

- (2) as provided in subsections (e) through (g); this chapter;

no bonds shall be issued for a project by the corporations the board of trustees of a state educational institution under this chapter article unless the general assembly has taken the actions described in subsection (b).

(b) As a condition of issuing bonds, the general assembly must have:

- (1) has specifically approved the project to be financed through the issuance and sale of these bonds; and
- (2) has provided the amount of bonds which that may be issued to fund the costs of acquiring, constructing, remodeling, renovating, furnishing, or equipping the specific project approved.

[20-12-6-17(b)] ~~(b)~~ Sec. **3**. In addition to and in connection with the amount of bonds that may be issued by a corporation state educational institution for a specific project as provided in subsection (a)(2); the corporations section 2(b)(2) of this chapter, the board of trustees of a state educational institution may also issue bonds in amounts necessary to provide funds for:

- (1) debt service reserves;
- (2) bond or reserve insurance; and
- (3) other costs;

without additional approval by the general assembly, if these costs are incidental to the issuance of bonds for the project.

[20-12-6-17(c)] ~~(c)~~ Sec. **4**. The Bonds, regardless of when the amount of bonds was are approved by the general assembly, may be issued in an amount not exceeding the sum of the following:

- (1) The amount of bonds approved by the general assembly. together with
- (2) The amounts described in subsection (b); plus section 3 of this chapter.
- (2) The amount of the discount below par value, if bonds are sold at a price below par value under ~~IC 4-1-5-1~~ IC 21-32-3-2.





[20-12-6-17(d) (part)] ~~(d)~~ **Sec. 5.** As used in this subsection, "fee replacement" means payments to a corporation to be used to pay indebtedness resulting from financing the cost of planning, purchasing, rehabilitation, construction, repair, leasing, lease-purchasing, or otherwise acquiring land, buildings, facilities, and equipment to be used for academic and instructional purposes. A power granted under this ~~section~~ **chapter** to issue bonds without the specific approval of the general assembly shall not be construed to permit the issuance of the bonds without the specific approvals required under section ~~16~~ **1** of this chapter. Bonds issued without the specific approval of the general assembly are not eligible for fee replacement.

[20-12-6-17(e)] ~~(e)~~ **Sec. 6.** Bonds may be issued by a ~~corporation~~ **the board of trustees of a state educational institution** without the approval of the general assembly if, after the issuance, the total amount of outstanding bonds issued by the ~~corporation~~ **the board of trustees of a state educational institution** without approval will not exceed two million dollars (\$2,000,000). However, the bonds must be approved as provided in section ~~16~~ **1** of this chapter.

[20-12-6-17(f)] ~~(f)~~ **Sec. 7.** Bonds may be issued by a ~~corporation~~ **the board of trustees of a state educational institution** without the approval of the general assembly to finance a qualified energy savings project ~~(as defined in IC 20-12-5.5)~~ if annual operating savings to the ~~corporation~~ **state educational institution** arising from the implementation of a qualified energy savings project are reasonably expected to be at least equal to annual debt service requirements on bonds issued for this purpose in each fiscal year. However, the amount of bonds outstanding for the ~~corporation~~ **state educational institution** at any time for qualified energy savings projects, other than refunding bonds and exclusive of costs described in ~~subsections (b)~~ **sections 3 and (c); 4 of this chapter**, may not exceed ten million dollars (\$10,000,000).

[20-12-6-17(g)] ~~(g)~~ **Sec. 8.** Bonds may be issued by the **board of trustees of Purdue University** without the approval of the general assembly for deferred expenditures, as determined under accounting principles approved by the state board of accounts, to:

- (1) repair, rehabilitate, remodel, renovate, or reconstruct existing facilities or buildings;
- (2) improve or replace utilities or fixed equipment; or
- (3) perform related site improvement work.

However, the total amount of bonds issued for ~~the corporation~~ **Purdue University** under this ~~subsection~~ **section** without the approval of the general assembly, other than refunding bonds and exclusive of costs described in ~~subsections (b)~~ **sections 3 and (c); 4 of this chapter**, may not exceed sixty million dollars (\$60,000,000).

SECTION 46. IC 21-35 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1,



2007]:

**ARTICLE 35. STATE EDUCATIONAL INSTITUTIONS:  
REVENUE BONDS AND OTHER FINANCING  
ARRANGEMENTS**

**Chapter 1. General Provisions; Definitions**

[New] **Sec. 1. The definitions in this chapter apply throughout this article.**

[23-13-18-20; New] ~~Sec. 13. 2. The term "Bond" or "bonds" as used in this chapter means the following:~~

(1) For purposes of IC 21-35-2, any bond evidencing indebtedness for borrowed money under IC 21-35-2.

(2) For purposes of IC 21-35-3, any bond evidencing indebtedness for borrowed money under IC 21-35-3.

(3) For purposes of IC 21-35-4, any bond evidencing indebtedness for borrowed money under IC 21-35-4.

(4) For purposes of IC 21-35-5, any bond evidencing indebtedness for borrowed money under IC 21-35-5.

~~Sec. 20. The term "bond" or "bonds" as used in this chapter shall mean-~~ (5) For purposes of IC 21-35-6, any:

(A) bonds (including refunding bonds);

(B) notes;

(C) temporary, interim, or permanent certificates of indebtedness;

(D) debentures; or

(E) other obligations;

evidencing indebtedness for borrowed money under IC 21-35-6.

[20-12-1.5-2 (part)] ~~Sec. 2. 3. For the purpose of this chapter the following words and phrases are defined as follows: "Developer", for purposes of IC 21-35-7, means a for profit or nonprofit:~~

(1) person;

(2) firm;

(3) partnership;

(4) limited liability company;

(5) trust;

(6) association; or

(7) corporation; ~~for profit or not-for-profit, which~~

~~that enters or proposes to enter into a financing agreement with a university~~ **state educational institution** for construction ~~or of facilities~~ or management of facilities, or both.

[20-12-1.5-2 (part)] **Sec. 4. "Facilities", for purposes of IC 21-35-7, means buildings and equipment located on or immediately adjacent to a university campus, the primary purpose of which is to make available or provide:**

(1) offstreet parking;

(2) alternative transportation systems;

(3) office space;



- (4) convenience, retail, and service establishments;
- (5) bookstores;
- (6) research;
- (7) outpatient and extended care;
- (8) food service;
- (9) temporary lodging quarters or similar structures used by:
  - (A) students;
  - (B) faculty;
  - (C) staff;
  - (D) patients; or
  - (E) visitors; ~~or~~
- (10) housing used by students in connection with:
  - (i) hospitals; or
  - (ii) health care units; ~~However, the term or~~
- (11) any combination of the buildings and services listed in this section.**

**The term** does not include undergraduate dormitories.

[20-12-1.5-2 (part)] **Sec. 5. "Financing", for purposes of IC 21-35-7,** means the activities listed in ~~section 3 of this chapter:~~  
**IC 21-35-7-4.**

[20-12-1.5-2 (part)] **Sec. 6. "Financing agreement", for purposes of IC 21-35-7,** means any agreement between a ~~university state~~  
**educational institution** and a developer or user concerning:

- (1) ~~the:~~
  - (A) acquisition;
  - (B) construction; or
  - (C) management;
- of facilities; ~~or~~
- (2) ~~the:~~
  - (A) financing; ~~of, the~~
  - (B) leasing; ~~of, or~~
  - (C) possession;
- of facilities; or ~~both;~~
- (3) any combination of the items listed in subdivisions (1) and (2); and**
- (4) payments to or from the university in respect thereof: of the items listed in subdivisions (1) and (2).**

[20-12-1.5-2 (part)] **"University"** means Indiana University, Purdue University, Ball State University, Indiana State University, Vincennes University, and any other state university.

**"Trustees"** means the governing body of a university. The term includes any board of trustees and trustee board.

**"University"** means Indiana University, Purdue University, Ball State University, Indiana State University, Vincennes University, and any other state university.

[20-12-7-1.2; 20-12-8-1.2] ~~Sec. 1-2:~~ **7. As used in this chapter,**



"Income":

(1) **for purposes of IC 21-35-2**, with respect to any property, includes the sum of all mandatory student service fees:

(A) collected for the use of the property; and

(B) assessed against the students of the institution;

for the purpose of providing to provide security for bonds issued under this chapter. The mandatory student service fees, once pledged in support of bonds issued under this chapter, shall be collected and treated as income for as long as the original bond issue or any refunding or advance refunding of the bond remains outstanding, even in the absence of the property for the use of which these fees are collected. IC 21-35-2; and

(2) **For purposes of IC 21-35-3**, with respect to any property, a campus facility, includes the sum of all mandatory student service fees:

(A) collected for the use of the property facility; and

(B) assessed against the students of the institution;

for the purpose of providing to provide security for bonds issued under this chapter. The mandatory student service fees, once pledged in support of bonds issued under this chapter, shall be collected and treated as income as long as the original bond issue or any refunding or advance refunding of the bond remains outstanding, even in the absence of the property for the use of which these fees are collected. IC 21-35-3.

[20-12-7-1.3; 20-12-8-1.3] Sec. 1-3: 8. As used in this chapter, "Net income" **for purposes of IC 21-35-2 and IC 21-35-3**, with respect to any property, means income minus the costs of operating, maintaining, and repairing the property except where when these costs are otherwise paid. with respect to any property, means income minus the costs of operating, maintaining, and repairing of the property except where these costs are otherwise paid.

[20-12-7-1.4; 20-12-8-1.4; 20-12-9-1(3)] (3) Sec. 9. "Property": or "properties"

(1) Sec. 1-4: As used in this chapter, "property" **for purposes of IC 21-35-2**, means any facility that the trustees of Indiana University; the trustees of Purdue University; the University of Southern Indiana board of trustees; Indiana State University board of trustees; or the Ball State University board of trustees **property that a board of trustees of a state educational institution** is authorized to finance under section 1 of this chapter IC 21-35-2 and under ~~IC 20-12-9~~ **IC 21-35-5** by the issuance of bonds, refunding bonds, or advance refunding bonds;

(2) **for purposes of IC 21-35-3**, means any facility **property** that the **board of trustees of Indiana University; the trustees of Purdue University; the University of Southern Indiana; board of trustees; the Indiana State University; board of trustees; or the Ball State**



University board of trustees a state educational institution is authorized to finance under ~~section 1 of this chapter~~ **IC 21-35-3** and under ~~IC 20-12-9~~ **IC 21-35-5** by the issuance of bonds, refunding bonds, or advance refunding bonds; and

**(3) for purposes of IC 21-35-5**, means any ~~revenue producing facility property~~ that the board of trustees of Indiana University; the trustees of Purdue University; the University of Southern Indiana board of trustees; Indiana State University board of trustees; or the Ball State University board of trustees a state educational institution is authorized to finance by the issuance of revenue obligations **issued under IC 21-35-5**.

[20-12-9-1(1)] ~~Sec. 1. As used in this chapter:~~

~~(1) "Corporation" means the trustees of Indiana University; the trustees of Purdue University; the University of Southern Indiana board of trustees; the Ball State University board of trustees; or the Indiana State University board of trustees.~~

[New] **Sec. 10. "Research facility", for purposes of IC 21-35-3, refers to property described in IC 21-33-3-2(2).**

[20-12-9-1(2)] ~~(2) Sec. 11. "Revenue obligations", or "obligations" for purposes of IC 21-35-5, means any obligation; obligations, including:~~

- ~~(1) bonds;~~
- ~~(2) notes;~~
- ~~(3) temporary, interim, or permanent certificates of indebtedness;~~
- ~~(4) debentures; or~~
- ~~(5) other obligations;~~

~~payable out of revenues derived from revenue producing properties; properties described in IC 21-35-5.~~

[New] **Sec. 12. "Support facility", for purposes of IC 21-35-3, refers to property described in IC 21-35-3-2(1).**

[20-12-1.5-2 (part)] **Sec. 13. "User", for purposes of IC 21-35-7, means a person; firm; partnership; limited liability company; trust; association; or corporation; which any of the following that has entered into a financing agreement with a university state educational institution or developer in contemplation of the user's use of the facilities referred to in such the agreement:**

- (1) A person.**
- (2) A firm.**
- (3) A partnership.**
- (4) A limited liability company.**
- (5) A trust.**
- (6) An association.**
- (7) A corporation.**

**Chapter 2. Construction and Operation of Fieldhouses, Gymnasiums, Student Unions, and Halls of Music; Revenue Bonds**

[20-12-7-1 (part)] **Sec. 1. The trustees of Indiana University; the**



trustees of Purdue University, the University of Southern Indiana board of trustees, the Ball State University board of trustees, and the Indiana State University board of trustees. This chapter applies to the following state educational institutions:

- (1) Ball State University.
- (2) Indiana University.
- (3) Indiana State University.
- (4) Purdue University.
- (5) University of Southern Indiana.

[20-12-7-1 (part)] **Sec. 2.** This chapter applies to the following property:

- (1) Athletic field houses.
- (2) Gymnasiums.
- (3) Student unions. ~~and~~
- (4) Halls of music.

[20-12-7-10] ~~Sec. 3.~~ This chapter ~~shall~~ **may** not be construed to repeal, modify, or amend any **Indiana** law of this state in force effect on March 8, 1929, but shall be ~~deemed as~~ **construed to be** supplemental ~~thereto~~ **to any Indiana law in effect on March 8, 1929.**

[20-12-7-11] ~~Sec. 4.~~ **(a)** ~~Nothing in Sections 6 20 through 9 23 of this chapter shall may not~~ be construed to affect the validity of:

- (1) any contracts executed ~~prior to~~ **before** March 9, 1965; or the validity of
- (2) any bonds contracted to be sold ~~prior to~~ **before** March 9, 1965.

**(b)** Sections ~~6 20~~ through ~~9 23~~ of this chapter ~~shall~~ **do** not apply to:

- (1) any facilities:
  - (A) approved by:
    - (i) the budget agency or any predecessor ~~thereto~~ **to the budget agency**; and
    - (ii) the governor, ~~of the state of Indiana~~ **prior to before** March 9, 1965; or ~~to any facilities~~
  - (B) for which temporary or interim financing commitments were made ~~prior to~~ **before** March 9, 1965; or ~~to~~
- (2) the issuance of bonds for any ~~such~~ facilities **described in subdivision (1).**

[20-12-7-12] ~~Sec. 5.~~ **(a)** Acts 1977, P.L.250 does not affect the issuance of bonds for projects approved by the ~~state~~ budget committee and the governor before July 1, 1977.

**(b)** The termination of bonding authority under Acts 1977, P.L.250 does not prevent, limit, or affect the issuance of bonds under IC 5-1-5.

[20-12-7-1 (part)] **Sec. 6.** ~~are respectively authorized, from time to time, and as The board of trustees find a necessity exists, to of a state educational institution may, as the board of trustees finds necessary,~~ erect, construct, complete, equip, furnish, operate, control, and manage ~~athletic field houses, gymnasiums, student unions, and~~



1 ~~halls of music in connection property~~ with Indiana University, Purdue  
 2 ~~University, University of Southern Indiana, Indiana State University,~~  
 3 ~~and Ball State University, another state educational institution~~ for  
 4 the purposes of the ~~respective institutions.~~ **state educational**  
 5 **institution.**

6 [20-12-7-1 (part)] **Sec. 7.** The **board of** trustees of a **state**  
 7 **educational institution** ~~are further respectively authorized to may~~  
 8 acquire under this **chapter** or any other law, by:

- 9 (1) purchase;
- 10 (2) lease;
- 11 (3) condemnation;
- 12 (4) gift; or ~~otherwise,~~
- 13 (5) **other means;**

14 any property, real or personal, ~~as;~~ **that** in the judgment of the ~~respective~~  
 15 **board of** trustees is necessary for the **state educational** institution's  
 16 purposes.

17 [20-12-7-1 (part)] **Sec. 8.** The **board of** trustees ~~are further~~  
 18 ~~respectively authorized to may~~ use for the **state educational**  
 19 institution's purposes any real or personal property acquired by the  
 20 ~~institutions.~~ **state educational institution.**

21 [20-12-7-1 (part)] **Sec. 9.** Title to all property acquired ~~under this~~  
 22 ~~section,~~ **by the state educational institution,** including the  
 23 improvements on the property, shall be taken and held in the name of  
 24 the **board of** trustees in their ~~respective~~ corporate ~~capacities~~ **capacity**  
 25 for the purposes of this chapter.

26 [20-12-7-1 (part)] **Sec. 10. (a)** If: any of the institutions named in  
 27 this section receive

- 28 (1) **a state educational institution** receives by gift, or  
 29 benefaction, or ~~otherwise,~~ **other means** any structures or  
 30 equipment: ~~described in this section,~~ and

31 (A) located on real estate, title to which is in the name of the  
 32 state, for the use and benefit of:

- 33 (i) ~~the institutions,~~ **state educational institution;** or
- 34 (ii) the **board of** trustees of the ~~institutions,~~ **state**  
 35 **educational institution;** and ~~which structures or equipment~~

36 (B) **that:**

- 37 (i) ~~are~~ **is** incomplete; or
- 38 (ii) in the judgment of its board of trustees, **is** insufficient for  
 39 the needs of the **state educational** institution; or **if**

- 40 (2) the **board of** trustees of ~~any of the institutions named in this~~  
 41 ~~section~~ **decide a state educational institution decides** to locate  
 42 and ~~to construct any of the~~ structures or equipment on real estate,  
 43 title to which is in the name of the state for the use and benefit of:

- 44 (A) ~~the institutions,~~ **state educational institution;** or
- 45 (B) the **board of** trustees of the ~~institutions,~~ **state**  
 46 **educational institution;** ~~then~~



the parcel of real estate on which the structures or equipment ~~are~~ is located or on which it is proposed to locate the ~~same structures and equipment~~ and reasonably required by the **state educational institution** for any of the purposes enumerated in this ~~section~~ **chapter** may, upon request in writing of the board of trustees of the **state educational institution** to the governor ~~of the state~~ and the approval of the governor, be conveyed by deed from the state to the board of trustees of the **state educational institution** in their corporate capacity for the purposes, or any of the purposes, of this chapter.

(b) The governor ~~shall be authorized to may~~ execute and deliver the deed:

- (1) in the name of the state;
- (2) signed on behalf of the state by the governor;
- (3) attested by the auditor of state; and
- (4) with the seal of the state affixed ~~thereto~~ **to the deed**.

[20-12-7-2(a)(part)] ~~Sec. 2:~~ **11.** (a) ~~For the purpose of raising To~~ **raise** funds for the acquisition of property and the erection, construction, remodeling, renovation, furnishing, and equipping of property, the **board of trustees** ~~respectively~~, **of a state educational institution** may issue and sell bonds of the **state educational institution**.

[20-12-7-2(a)(part)] ~~The~~ **Sec. 12.** Bonds, and the interest on the bonds, may be secured by pledge or mortgage of:

- (1) any property, real or personal, used or acquired or to be acquired and used for the purposes described under this chapter and the improvements made or to be made on the property;
- (2) the net income from the property;
- (3) the property and the net income from the property; or
- (4) any unobligated net income of any property financed under this chapter;

as the **board of trustees** ~~may determine~~ **determines**.

[20-12-7-2(b)] ~~(b)~~ **Sec. 13.** The lien of the pledge or mortgage, to the extent of the lien, as:

- (1) determined and provided by the **respective board of trustees**; and ~~as~~
- (2) authorized under this chapter;

~~shall be~~ **is** a first and primary lien for the payment of the bonds secured and the interest on the bonds.

[20-12-7-2(c)] ~~(c)~~ **Sec. 14.** ~~The~~ Bonds may be issued for the amount or amounts as the **board of trustees** ~~shall determine~~ **determines**. However, these amounts may not exceed:

- (1) the total estimated cost of acquiring, erecting, constructing, remodeling, renovating, completing, equipping, and furnishing any property as the respective trustees determine the cost to be; plus
- (2) incidental expenses, financing costs, underwriter's discount,





funded or capitalized interest, municipal bond insurance premiums, or funding debt service reserve funds from bond proceeds.

[20-12-7-2(d)] ~~(d)~~ **Sec. 15.** ~~The~~ **(a)** Bonds may be issued in the denominations and with the maturities as the respective trustees determine, and, in the discretion of the respective trustees, the bonds may be sold either at public or negotiated sale as provided by ~~IC 4-1-5.~~ **IC 21-32-3.**

**(b)** The rate or rates of interest on the bonds may be fixed or variable. Variable rates shall be determined in the manner and in accordance with the procedures set forth in the resolution or indenture authorizing the issuance of the bonds. Bonds bearing a variable rate of interest may be converted to bonds bearing a fixed rate or rates of interest to the extent and in the manner set forth in the resolution or indenture ~~pursuant to~~ **under** which the bonds are issued.

**(c)** The interest may be:

**(1)** payable semiannually, annually, or at any other interval or intervals provided in the resolution; or ~~the interest may be~~

**(2)** compounded and paid at maturity or at any other time as specified in the resolution or indenture.

**(d)** The bonds may be made subject to redemption by the ~~corporation~~ **state educational institution** at the times and under the circumstances set forth in the authorizing resolution or indenture.

[20-12-7-2(e)] ~~(e)~~ **Sec. 16.** ~~The~~ Bonds and the pledge or mortgage securing the bonds, shall be issued, and made in the name, and on behalf of the ~~respective corporations~~ **state educational institution** by the officer or officers ~~as that the board of trustees respectively designate.~~ **designates.**

[20-12-7-3] ~~Sec. 3:~~ **Sec. 17.** ~~No~~ Indebtedness, a bond, or an obligation incurred or created under the authority of this chapter ~~shall~~ **may not** be or become:

**(1)** an indebtedness of or liability against the state of Indiana ~~nor said respective corporations, nor or a state educational institution; or~~

**(2)** a lien or charge against the property or funds of ~~said respective corporations; a state educational institution;~~

except to the extent of the property or income pledged or mortgaged as authorized.

[20-12-7-4] ~~Sec. 4:~~ **Sec. 18.** ~~Said respective~~ **The board of** trustees may ~~in their discretion,~~ furnish heat, light, power, and other like facilities or service to any or all of the buildings, structures, or improvements contemplated by this chapter from the plant or plants or facilities of the ~~respective institutions~~ **state educational institution** with or without charge. ~~therefor.~~

[20-12-7-5] ~~Sec. 5:~~ **19.** All:

**(1)** property acquired under authority of this chapter or used for



the purposes provided in this chapter; and ~~all~~  
 (2) bonds issued under the authority ~~given~~, of this chapter,  
 together with the interest ~~thereon~~, shall be on the bonds;  
 are exempt from taxation.

[20-12-7-6] Sec. ~~6~~ **20. (a) Except as provided in this section, no**  
 contracts to acquire land for or to construct, purchase, lease, sublease,  
 or otherwise acquire, or to engage architectural or engineering services  
 in connection with any buildings, structures, equipment, and  
 improvements to be financed in whole or in part by the issuance of  
 bonds under this chapter ~~shall~~ **may not** be made by ~~any of said~~  
~~respective~~ **a board of trustees of a state educational institution**  
 without the specific approval of the budget agency and the governor.  
 of the state of Indiana.

(b) This section ~~shall~~ **does** not apply to any contract relating to a  
 facility, the cost of which does not exceed fifty thousand dollars  
 (\$50,000).

[20-12-7-7] Sec. ~~7~~ **21. (a) No Bonds shall may not** be issued by ~~the~~  
~~respective the board of trustees of a state educational institution~~  
 under ~~the provisions of~~ this chapter without the specific approval of:

(1) the budget agency if:

(A) the bonds are issued for the refunding or advance  
 refunding of any outstanding bonds approved as required by  
 this chapter; and

(B) the board of trustees of the state educational institution  
 makes the findings described in subsection (b); and

(2) the budget committee, budget agency, and the governor, if  
 subdivision (1) does not apply.

The budget agency may request and consider the recommendation of  
 the staff of the Indiana finance authority with respect to the approval  
 of a bond issue under this section.

(b) ~~At~~ **The board of trustees of a state educational** institution  
 may provide for refunding or advance refunding of any outstanding  
 bonds under subsection (a)(1) whenever the board of trustees of the  
**state educational** institution finds that the refunding or advance  
 refunding will ~~effect~~ a benefit to the **state educational** institution  
 because:

(1) a net savings to the **state educational** institution will ~~be~~  
~~effected~~; **result**; or

(2) the net present value of principal and interest payments on the  
 bonds is less than the net present value of the principal and  
 interest payments on the outstanding bonds to be refunded.

[20-12-7-8] Sec. ~~8~~ **22. No bonds may be issued by any of the**  
 institutions under this chapter unless the general assembly has provided  
 for the bonds by establishing in the appropriation act the amount of  
 bonds ~~which that~~ the institutions may issue for the purposes described  
 in section ~~2(c)(1)~~ **14(1)** of this chapter. However, the bonds, regardless



of when the appropriation law was enacted, may be issued in an amount not exceeding:

(1) the amount of bonds approved in the appropriation law together with the amounts described in section ~~2(c)(2)~~ **14(2)** of this chapter; plus

(2) the amount of the discount below par value, if the bonds are sold at a price below par value under ~~IC 4-1-5-1~~ **IC 21-32-3-2**.

[20-12-7-9] Sec. ~~9~~ **23**. ~~No~~ **An** action to contest the validity of any bonds issued under this chapter ~~shall~~ **may not** be brought after the fifteenth day following:

(1) the first publication of notice of the sale or intent to sell the bonds under ~~IC 4-1-5~~ **IC 21-32-3** if the bonds are sold at public sale; or

(2) the publication one (1) time in newspapers described in ~~IC 4-1-5-1~~ **IC 21-32-3-3** of notice of the execution and delivery of the contract of sale for the bonds if the bonds are sold at negotiated sale.

The state ~~university or college~~ **educational institution** shall publish notice under subdivision (2) if it sells bonds at negotiated sale no later than thirty (30) days after the execution of the contract of sale for the bonds.

### **Chapter 3. Acquisition of Certain Support Facilities and Research Facilities; Revenue Bonds**

[20-12-8-1(a) (part)] Sec. 1. ~~(a) The trustees of Indiana University; the trustees of Purdue University; Indiana State University board of trustees; the University of Southern Indiana board of trustees; and the~~ **This chapter applies to the following state educational institutions:**

(1) Ball State University. ~~board of trustees~~

(2) **Indiana University.**

(3) **Indiana State University.**

(4) **Purdue University.**

(5) **University of Southern Indiana.**

[20-12-8-1(a) (part); 20-12-8-1(b) (part)] Sec. 2. **This chapter applies to the following property:**

(1) **With respect to any state educational institution to which this chapter applies, the following support facilities:**

~~(1) (A)~~ **(A)** Dormitories and other housing facilities for single and married students and school personnel.

~~(2) (B)~~ **(B)** Food service facilities.

~~(3) (C)~~ **(C)** Student infirmaries and other health service facilities, including revenue-producing hospital facilities serving the general public, together with parking facilities and other appurtenances in connection with ~~any of the foregoing; or~~ **student infirmaries and other health service facilities.**

~~(4) (D)~~ **(D)** Parking facilities in connection with academic facilities.



(2) With respect to Indiana University and Purdue University only, the following research facilities:

(A) Facilities used for clinical, medical, scientific, or engineering research. or

(B) Facilities used for other similar qualitative, quantitative, or experimental research.

[20-12-8-10] Sec. ~~10~~ 3. This chapter ~~shall~~ does not be construed to repeal, modify, or amend any Indiana law of this state in force on March 9, 1927, but shall be ~~deemed~~ considered as supplemental thereto to that law.

[20-12-8-11] Sec. ~~11~~ 4. ~~Nothing in~~ This chapter ~~shall~~ may not be construed to affect the validity of any contracts executed prior to before March 10, 1965, or the validity of any bonds contracted to be sold prior to before March 10, 1965. This chapter ~~shall~~ does not apply to any facilities approved by the budget agency or any predecessor thereto of the budget agency and the governor of the state of Indiana prior to before March 10, 1965, or to any facilities for which temporary or interim financing commitments were made prior to before March 10, 1965, or to the issuance of bonds for any such facilities.

[20-12-8-12] Sec. ~~12~~ 5. (a) Acts 1977, P.L.250 does not affect the issuance of bonds for projects approved by the state budget committee and the governor before July 1, 1977.

(b) The termination of bonding authority under Acts 1977, P.L.250 does not prevent, limit, or affect the issuance of bonds under IC 5-1-5.

[20-12-8-1(a) (part)] Sec. 6. ~~are authorized and empowered; from time to time; The board of trustees of a state educational institution may, if the governing boards of these corporations find board of trustees finds that a necessity exists, to erect, construct, reconstruct, extend, remodel, improve, complete, equip, furnish, operate, control, and manage~~

(1) dormitories and other housing facilities for single and married students and school personnel;

(2) food service facilities;

(3) student infirmaries and other health service facilities including revenue-producing hospital facilities serving the general public; together with parking facilities and other appurtenances in connection with any of the foregoing; or

(4) parking facilities in connection with academic facilities; support facilities at or in connection with Indiana University; Purdue University; Indiana State University; the University of Southern Indiana; and Ball State University; the state educational institution or another state educational institution for the purposes of the respective state educational institutions.

[20-12-8-1(b)] ~~(b)~~ Sec. 7. (a) This section and any other provisions of this chapter related to implementing this section apply only to the following state educational institutions:



(1) Indiana University.

(2) Purdue University.

(b) The **board of trustees** of Indiana University and the **board of trustees** of Purdue University may, ~~from time to time~~, if the ~~governing boards of trustees of these corporations~~ **the state educational institutions** find that a necessity exists, erect, construct, reconstruct, extend, remodel, improve, complete, equip, furnish, operate, control, and manage ~~facilities used for clinical, medical, scientific, engineering, or other similar qualitative, quantitative, or experimental research,~~ **research facilities**, if revenue from state, federal, local, or private gifts, grants, contractual payments, or reimbursements is available in an amount that is reasonably expected to at least equal the annual debt service requirements of the bonds and the costs to operate the **research facility** for each fiscal year that the bonds are outstanding at or in connection with any of the following campuses of Indiana University or Purdue University:

(1) Purdue University-West Lafayette Campus.

(2) Indiana University-Purdue University at Indianapolis (IUPUI).

(3) Indiana University-Bloomington Campus.

(c) ~~Neither~~ Student fees ~~nor~~ **and** money appropriated by the general assembly may **not** be used to pay the debt service requirements or the maintenance expenses of a **research facility**. ~~described in this subsection.~~

[20-12-8-1(c) (part)] ~~(c)~~ **Sec. 8.** The corporations described in subsection (a) or (b) are also authorized and empowered to **A state educational institution may acquire by:**

(1) purchase;

(2) lease;

(3) condemnation;

(4) gift; or ~~otherwise;~~

(5) **other means;**

any property, real or personal, that in the judgment of ~~these corporations~~ **the state educational institution** is necessary for ~~the purposes set forth in this section.~~ **a support facility or a research facility.**

[20-12-8-1(c) (part)] ~~(c)~~ **Sec. 9.** The corporations **A state educational institution** may improve and use any property acquired for ~~the purposes set forth in this section.~~ **a support facility or a research facility.**

[20-12-8-1(d) (part)] ~~(d)~~ **Sec. 10.** Title to all property ~~so~~ acquired by **a state educational institution**, including the improvements located on the property, shall be taken and held by and in the name of the ~~corporations~~ **state educational institution.**

[20-12-8-1(d) (part)] **Sec. 11. (a)** If the ~~governing~~ board of **trustees** of ~~any of these corporations~~ **state educational institution** determines that real estate, the title to which is in the name of the state, for the use



and benefit of the ~~corporation~~ **board of trustees** or the state educational institution under its control, is reasonably required for any of the purposes set forth in this section; for use as a support facility or a research facility, the real estate may, upon:

(1) request in writing of the ~~governing board of the corporation~~ **board of trustees of the state educational institution** to the governor; ~~of the state~~ and upon

(2) the approval of the governor;

be conveyed by deed from the state to the ~~corporation~~ **board of trustees of the state educational institution.**

(b) The governor ~~shall be authorized to may~~ execute and deliver the deed:

(1) in the name of the state;

(2) signed on behalf of the state by the governor;

(3) attested by the auditor of state; and

(4) with the seal of the state affixed to the deed.

[20-12-8-2(a) (part)] ~~Sec. 2:~~ **12. (a) For the purpose of raising To** raise funds for the acquisition of property and the erection, construction, reconstruction, extension, remodeling, improvement, completion, equipping, and furnishing of property, the ~~governing boards of the corporations, respectively,~~ **board of trustees of a state educational institution** may issue and sell bonds of the ~~corporations~~ **state educational institution.**

[20-12-8-2(a) (part)] **Sec. 13.** The bonds and the interest on the bonds may be secured by pledge or mortgage of:

(1) any property, real or personal, used or acquired or to be acquired and used for ~~such purposes,~~ **the property** and the improvements made or to be made on the property;

(2) the net income from the property;

(3) the property and the net income from the property; or

(4) any unobligated net income of any property financed under this chapter;

as the ~~governing boards~~ **board of trustees** may determine.

[20-12-8-2(b)] ~~(b)~~ **Sec. 14.** The lien of the pledge or mortgage, to the extent of the lien:

(1) as determined and provided by the ~~respective governing boards,~~ **board of trustees;** and

(2) as authorized under this chapter;

~~shall be~~ **is** a first and primary lien for the payment of the bonds and the interest on the bonds.

[20-12-8-2(c)] ~~(c)~~ **Sec. 15.** The bonds may be issued for an amount or amounts as the ~~governing boards shall determine;~~ **board of trustees determines.** However, these amounts may not exceed:

(1) the total estimated cost of acquiring property for and erecting, constructing, reconstructing, extending, remodeling, improving, completing, equipping, furnishing, and financing the proposed



property as the ~~respective governing boards determine~~ **board of trustees determines** the cost to be; plus

(2) incidental expenses, financing costs, underwriter's discount, funded or capitalized interest, municipal bond insurance premiums, or funding debt service reserve funds from bond proceeds.

[20-12-8-2(d)] ~~(d)~~ **Sec. 16. (a)** The bonds may be:

(1) issued in the denominations and with the maturities as the ~~respective governing boards determine~~, **board of trustees determines**; and

(2) in the discretion of the ~~respective boards~~, **board of trustees**, ~~the bonds may be~~ sold either at public or negotiated sale, as provided by ~~IC 4-1-5-1~~, **IC 21-32-3-1**.

(b) The rate or rates of interest on the bonds may be fixed or variable. Variable rates ~~shall be~~ **must be** determined in the manner and in accordance with the procedures set forth in the resolution or indenture authorizing the issuance of the bonds. Bonds bearing a variable rate of interest may be converted to bonds bearing a fixed rate or rates of interest to the extent and in the manner set forth in the resolution or indenture ~~pursuant to~~ **under** which the bonds are issued.

~~The~~ (c) Interest on bonds may be:

(1) payable semiannually, annually, or at any other interval or intervals provided in the resolution; or ~~the interest may be~~

(2) compounded and paid at maturity or at any other time as specified in the resolution or indenture.

(d) The bonds may be made subject to redemption by the ~~corporation~~ **state educational institution** at the times and under the circumstances set forth in the authorizing resolution or indenture.

[20-12-8-2(e)] ~~(e)~~ **Sec. 17.** ~~The~~ Bonds and the pledge or mortgage securing ~~the~~ bonds, shall be issued and made in the name, and on behalf of the ~~respective corporations~~ **state educational institution** by the officer or officers ~~as the governing boards respectively designate~~, **that the board of trustees designates**.

[20-12-8-3] ~~Sec. 3.~~ **18.** ~~No~~ Indebtedness, a bond, or ~~an~~ obligation incurred or created under the authority of this chapter ~~shall~~ **may not** be or become a lien, charge, or liability against:

(1) the state of Indiana; ~~nor against~~

(2) ~~the said respective corporations nor against~~ **state educational institution issuing the bonds; or**

(3) the property or funds of the state or ~~said respective corporations~~ **the state educational institution issuing the bonds**, except to the extent of the property or income authorized to be pledged or mortgaged.

[20-12-8-4] ~~Sec. 4.~~ **19.** ~~Said corporations~~ **The board of trustees of a state educational institution** may ~~in their discretion~~, furnish heat,



light, power, and other like services to any or all ~~of said facilities~~  
~~property~~ with or without charge. ~~therefor.~~

[20-12-8-5] Sec. ~~5~~: **20.** All:

(1) property:

(A) acquired under authority of this chapter; or

(B) ~~used for the purposes provided in this chapter; as a~~  
**support facility or a research facility; and all**

(2) bonds issued under the authority ~~given in~~ **of** this chapter,  
 together with the interest ~~thereon; shall be on the bonds;~~

**are exempt from taxation.**

[20-12-8-6] Sec. ~~6~~: **21. (a) Subject to this section, no** contracts to:

(1) acquire land for; ~~or to~~

(2) construct, purchase, lease, sublease, or otherwise acquire; or  
~~to~~

(3) engage architectural or engineering services in connection  
 with;

any ~~facilities~~ **property** to be financed in whole or in part by the  
 issuance of bonds under this chapter ~~shall be~~ **may not be** made by any  
~~of said corporations~~ **state educational institution** without the specific  
 approval of the budget agency and the governor. ~~of the state of Indiana.~~

(b) This section ~~shall~~ **does** not apply to any contract relating to a  
~~facility,~~ **property,** the cost of which does not exceed fifty thousand  
 dollars (\$50,000).

[20-12-8-7] Sec. ~~7~~: **Sec. 22. (a) No** Bonds ~~shall~~ **may not** be issued  
 by ~~the corporations~~ **a state educational institution** under the  
~~provisions of~~ this chapter without the specific approval of:

(1) the budget agency, if:

(A) the bonds are issued for the refunding or advance  
 refunding of any outstanding bonds approved ~~as required by~~  
**under** this chapter; and

(B) the ~~corporation~~ **board of trustees of the issuing state**  
**educational institution** makes the findings described in  
 subsection (b); ~~and or~~

(2) the budget committee, the budget agency, and the governor,  
 if subdivision (1) does not apply.

The budget agency may request and consider the recommendation of  
 the staff of the Indiana finance authority with respect to the approval  
 of a bond issue under this section.

(b) ~~A corporation~~ **The board of trustees of a state educational**  
**institution** may provide for refunding or advance refunding of any  
 outstanding bonds under subsection (a)(1) whenever the board of  
 trustees of the ~~corporation~~ **state educational institution** finds that the  
 refunding or advance refunding will ~~effect a benefit to the corporation~~  
**state educational institution** because:

(1) a net savings to the ~~corporation~~ **state educational institution**  
 will be effected; or





(2) the net present value of principal and interest payments on the bonds is less than the net present value of the principal and interest payments on the outstanding bonds to be refunded.

[20-12-8-8] ~~Sec. 8:~~ **Sec. 23.** The general assembly may establish each biennium in the appropriation act the maximum aggregate principal amount of bonds ~~which that~~ any one (1) or more ~~corporations~~ **state educational institution** may issue during the ensuing biennium under ~~the provisions of~~ this chapter.

[20-12-8-9] ~~Sec. 9:~~ **24.** ~~No~~ **An** action to contest the validity of any bonds issued under this chapter ~~shall~~ **may not** be brought after the fifteenth day following:

(1) the first publication of notice of the sale or intent to sell the bonds under ~~IC 4-1-5,~~ **IC 21-32-3** if the bonds are sold at public sale; or

(2) the publication one (1) time in newspapers described in ~~IC 4-1-5-1~~ **IC 21-32-3-3** of notice of the execution and delivery of the contract of sale for the bonds if the bonds are sold at negotiated sale.

The state ~~university or college~~ **educational institution** shall publish notice under subdivision (2) if the state ~~university or college~~ **educational institution** sells bonds at negotiated sales no later than thirty (30) days after the execution of the contract of sale for the bonds.

#### **Chapter 4. Indiana State University; Dormitories**

[New] **Sec. 1. This chapter applies to Indiana State University.**

[New] **Sec. 2. This chapter applies to a project for a dormitory for the housing of students.**

[20-12-53-1(a) (part)] ~~Sec. 3.~~ ~~(a)~~ Whenever the board of trustees of Indiana State University ~~shall find~~ **finds** that:

(1) a necessity exists for the building of a dormitory for the housing of students; and ~~when such board shall find that~~

(2) sufficient funds for the erection and construction ~~thereof of~~ **the dormitory for the housing of students** will not be available out of the revenues and funds of ~~such~~ **Indiana State University** in the year in which ~~such the~~ **necessity may be found to exist;** ~~then such exists;~~

**the board of trustees of Indiana State University** may issue and sell the bonds of ~~such the board of trustees.~~

[20-12-53-1(a) (part)] **Sec. 4. Bonds for a project:**

(1) ~~may be~~ in any amount that ~~such the board of trustees may so find finds~~ is not ~~to be~~ available out of the ~~said~~ revenues and funds of ~~such~~ **Indiana State University for the year;** and

(2) ~~may not exceeding~~ **exceed** the total estimated cost of the erection and construction of ~~such the~~ dormitory.

[20-12-53-1(a) (part)] ~~Sec. 5. which cost~~ **The board of trustees of Indiana State University** shall first ~~be estimated~~ **estimate** and ~~found~~ **by such board: make a finding specifying the costs of erecting and**



1 constructing the project before issuing bonds.

2 [20-12-53-1(a) (part)] **Sec. 6. Such Bonds for a project:**

3 (1) may be issued by ~~such the~~ board of trustees of **Indiana State**  
 4 **University** in ~~such the~~ denomination, and with ~~such the~~  
 5 maturities; and

6 (2) ~~shall must~~ bear ~~such the~~ rate of interest, payable  
 7 semiannually;

8 as ~~such the~~ board of trustees may fix and determine. ~~but such~~  
 9 **However, the bonds shall may** not be sold for less than par. ~~Such~~

10 [20-12-53-1(a) (part)] **Sec. 7. The bonds for a project** may be sold  
 11 either privately, or at public letting, as ~~such the~~ board of trustees may  
 12 determine.

13 [20-12-53-1(a) (part)] **Sec. 8.** The principal and interest of ~~such the~~  
 14 bonds **for a project**, when sold, ~~shall be~~ are a primary, fixed charge  
 15 against the net income of ~~such dormitory and such the project being~~  
 16 **is constructed and erected. The** net income ~~shall be must be~~ applied  
 17 by ~~such the~~ board of trustees in payment of the principal and interest  
 18 of ~~such the~~ bonds as the ~~same shall become~~ principal and interest  
 19 **become** due until full and final payment of all ~~such of the~~ bonds and  
 20 interest **is made.**

21 [20-12-53-1(a) (part)] **Sec. 9.** ~~Whenever If~~ the net income of ~~such~~  
 22 **a dormitory project** in any year ~~shall is~~ not be sufficient to meet the  
 23 total amount of the principal and interest of ~~such on the~~ bonds ~~falling~~  
 24 **that fall** due in ~~such the~~ year, ~~then such the~~ board of trustees may pay  
 25 the balance of ~~such the~~ principal and interest ~~so falling due in the year~~  
 26 out of any ~~of the~~ other revenues and funds of ~~such~~ **Indiana State**  
 27 **University** ~~which may be that are available therefor: to pay the~~  
 28 **principal and interest.**

29 [20-12-53-1(b)] ~~(b)~~ **Sec. 10.** **Such Bonds for a project** shall be:

30 (1) executed by the name; ~~of; such board being~~

31 (2) signed ~~thereto~~ by the president and treasurer; ~~of such board~~  
 32 and

33 (3) attested by the secretary;

34 of ~~such the~~ board of trustees of **Indiana State University.**

35 [20-12-53-1(c)] ~~(c)~~ **Sec. 11.** The proceeds of sale of any ~~such~~ bonds  
 36 **in each and every case for a project** shall be applied solely to:

37 (1) the building of a dormitory; ~~the project;~~ and ~~to~~

38 (2) the payment of principal and interest of ~~such the~~ bonds if a  
 39 surplus should exist after completion and full payment for the  
 40 erection and construction of ~~such a building: the project.~~

41 **Chapter 5. Revenue Producing Property; Supplemental**  
 42 **Procedures for Financing Revenue Producing Properties with**  
 43 **Revenue Obligations**

44 [20-12-9-2 (part)] **Sec. 2: 1.** ~~The trustees of Indiana University; the~~  
 45 ~~trustees of Purdue University; Indiana State University board of~~  
 46 ~~trustees; the University of Southern Indiana board of trustees; or the~~



Ball State University board of trustees This chapter applies to the following state educational institutions:

- (1) Ball State University.
- (2) Indiana University.
- (3) Indiana State University.
- (4) Purdue University.
- (5) University of Southern Indiana.

[20-12-9-1(3)] ~~(3)~~ **Sec. 2. This chapter applies to the following property: or "properties" means any revenue producing facility that the trustees of Indiana University; the trustees of Purdue University; the University of Southern Indiana board of trustees; Indiana State University board of trustees; or the Ball State University board of trustees is authorized to finance by the issuance of revenue obligations:**

- (1) Property described in IC 21-35-2.
- (2) Property described in IC 21-35-3.

[20-12-9-7 (part)] ~~Sec. 7.~~ **3.** This chapter ~~shall~~ **may** not be construed to repeal, modify, or amend any law of ~~this state~~ **Indiana** in force on March 9, 1959. ~~but~~

[20-12-9-7 (part)] **Sec. 4. This chapter shall may** be construed as supplemental to ~~IC 20-12-8 and IC 20-12-7.~~ **IC 21-35-2 and IC 21-35-3.**

[20-12-9-2 (part)] **Sec. 5. The board of trustees of a state educational institution** may issue revenue obligations under ~~IC 20-12-8 or IC 20-12-7~~ **IC 21-35-2 or IC 21-35-3** for any one (1) or more of the following: ~~purposes:~~

- (1) For any purpose or purposes ~~for which IC 20-12-8 or IC 20-12-7~~ **IC 21-35-2 or IC 21-35-3** authorizes the borrowing of money.
- (2) ~~For the purpose of reimbursing~~ **To reimburse** the ~~corporation~~ **state educational institution** for funds expended or advanced for interim financing of the cost of any revenue producing property prior to the issuance of revenue obligations on account ~~thereof: of~~ **revenue producing property.**
- (3) Subject to applicable covenants and agreements with the holders of outstanding obligations, ~~for the purpose of funding to fund or refunding refund~~ **revenue obligations.**

If the governing board of the ~~corporation~~ **state educational institution** determines that it would be advantageous to the ~~corporation~~ **state educational institution** to exchange funding or refunding obligations for the revenue obligations being funded or refunded, the exchange may be made, provided the actual interest cost is not increased.

[20-12-9-3 (part)] ~~Sec. 3.~~ **6.** ~~The~~ Revenue obligations:

- (1) ~~shall must~~ be secured in the manner provided in ~~IC 20-12-7~~ **IC 21-35-2 and IC 21-35-3;** and
- (2) in addition, may be secured by the pledge or mortgage of the unobligated net revenues of any one (1) or more other revenue



1 producing properties of the issuing ~~corporation~~ **state educational**  
 2 **institution** and by any other available income or funds.

3 [20-12-9-3 (part)] **Sec. 7.** In authorizing the issuance of ~~these~~  
 4 **revenue** obligations for any particular property or properties, the  
 5 governing board of the issuing ~~corporation~~ **state educational**  
 6 **institution** may:

7 (1) limit the amount of the obligations that may be issued as a first  
 8 lien and charge against the property or properties and the net  
 9 income from the property or properties; or

10 (2) authorize the issuance from time to time thereafter of  
 11 additional obligations secured by the same lien to provide funds:

12 (A) for the completion of the property or properties on account  
 13 of which the original obligations were issued;

14 (B) to pay the cost of additional revenue producing properties  
 15 under ~~IC 20-12-7~~ **IC 21-35-2** or ~~IC 20-12-8~~ **IC 21-35-3**; or

16 (C) for the purposes described in clauses (A) and (B).

17 The additional obligations shall be issued on the terms and conditions  
 18 as the board may determine, and may be secured equally and ratably,  
 19 without preference, priority, or distinction, with the original issue of  
 20 obligations or may be made junior to the original issue of bonds.

21 [20-12-9-4 (part)] **Sec. 4: 8.** ~~Such~~ Revenue obligations ~~shall~~ **must**  
 22 be authorized by resolution adopted by the ~~governing~~ board of ~~trustees~~  
 23 **of the corporation state educational institution.** ~~and~~ The terms,  
 24 conditions, and form ~~thereof shall~~ **of the revenue obligations must** be  
 25 set out in ~~such~~ the resolution or in a form of trust indenture between  
 26 the ~~corporation~~ **state educational institution** and a designated  
 27 corporate trustee, or both. ~~Such~~

28 [20-12-9-4 (part)] **Sec. 9.** The resolution or the indenture **for**  
 29 **revenue obligations** may include:

30 (1) provisions for protecting and enforcing the rights and  
 31 remedies of the holders of the **revenue** obligations being issued;  
 32 ~~and~~

33 (2) covenants setting forth the duties of the ~~corporation~~ **state**  
 34 **educational institution** and its officers in relation to:

35 (A) the:

36 (i) acquisition, construction, operation, and maintenance of;  
 37 and

38 (ii) insurance to be carried on;

39 the property or properties on account of which the **revenue**  
 40 obligations are being issued; and

41 (B) the maintenance of fees and charges to be collected on  
 42 account ~~thereof; also, of the properties;~~

43 (3) provisions for:

44 (A) the custody, safeguarding, and application of all ~~moneys~~  
 45 **money; and**

46 (B) the rights and remedies of the trustee and the holders of



the obligations being issued; and for

(C) the issuance of additional parity obligations or junior lien obligations secured by pledge or mortgage of the revenues and property described in ~~said the~~ resolution or indenture; ~~also, such and~~

(4) the other terms, conditions, limitations, and covenants ~~as that~~ the governing board of trustees of the corporation ~~state educational institution shall deem~~ determines proper.

[20-12-9-4 (part)] ~~Sec. 10. Such Revenue~~ obligations and any interest coupons appertaining ~~thereto to revenue obligations shall be~~ are negotiable instruments within the meaning and for all purposes under the laws of ~~this state, Indiana~~, subject only to the provisions of the obligations for registration.

[20-12-9-5] ~~Sec. 5: 11.~~ In connection with the issuance of ~~such revenue obligations, said corporations a board of trustees of a state educational institution may in their discretion, covenant to and furnish or supply heat, light, power, and other like services to any building, structure, or improvement with or without charge therefor so long as any of such the revenue obligations are outstanding.~~

[20-12-9-6] ~~Sec. 6: 12.~~ Any revenue obligations issued ~~pursuant to under the provisions of IC 20-12-8 or IC 20-12-7 IC 21-35-2 or IC 21-33-3 shall be~~ are eligible investments for the funds of any kind or character of every financial institution, insurance company, or private trust. ~~and such The revenue obligations shall be~~ are eligible for deposit by any financial institution, insurance company, or trustee under any law of ~~this state Indiana~~ providing for the deposit of securities or funds.

## **Chapter 6. Revenue Bonds; Vincennes University**

**Sec. 1. This chapter applies to Vincennes University.**

**Sec. 2. This chapter applies to all property acquired or improved for Vincennes University.**

[23-13-18-15(a)] ~~Sec. 15: 3. (a)~~ For the purpose of:

(1) raising funds for improving property ~~as provided in section 14 of this chapter, for Vincennes University;~~

(2) acquiring property ~~as provided in section 14 of this chapter, for Vincennes University;~~

(3) the interim financing of the cost of any such improvement or acquisition;

(4) the reimbursing of the trustees of Vincennes University for funds expended or advanced for interim financing of the cost of any such improvement or acquisition, or, subject to existing covenants and agreements with the holders of outstanding bonds, for funding or refunding bonds issued ~~pursuant to under this section, chapter; or~~

(5) for any one (1) or more of the ~~foregoing, activities described in subdivisions (1) through (4);~~



1 the **board of** trustees of Vincennes University ~~are authorized and~~  
 2 ~~empowered to~~ may issue and sell revenue bonds of ~~the Vincennes~~  
 3 University.

4 [23-13-18-15(b)] ~~(b)~~ **Sec. 4.** The **revenue** bonds and the interest  
 5 ~~thereon on revenue bonds of Vincennes University~~ may be secured  
 6 in any one (1) or more of the following ways, as the **board of** trustees  
 7 may determine:

8 (1) By pledge or mortgage of any property, real or personal, used  
 9 or acquired or to be acquired and used for ~~such the~~ purposes of  
 10 **Vincennes University** and the improvements made or to be made  
 11 ~~thereon on the property.~~

12 (2) By pledge or mortgage of the net income from ~~said the~~  
 13 property.

14 (3) By the pledge or mortgage of the unobligated net revenues of  
 15 any one (1) or more other properties of the **board of** trustees of  
 16 Vincennes University.

17 (4) In the case of **revenue** bonds issued under this ~~section~~  
 18 **chapter** for interim financing of any property, by pledge of the  
 19 funds derived from the sale of the bonds issued and sold under  
 20 this ~~section chapter~~ for the permanent financing ~~thereof of~~  
 21 **property.**

22 [23-13-18-15(c)] ~~(c)~~ **Sec. 5. (a)** The lien of ~~said a~~ pledge or  
 23 mortgage **under section 4 of this chapter**, to the extent thereof, as  
 24 determined and provided by the **board of** trustees, and as authorized  
 25 by this ~~section, chapter~~, shall be a first and primary lien for the  
 26 payment of ~~said the~~ bonds and the interest ~~thereon on the bonds.~~ In  
 27 authorizing the issuance of ~~such the revenue~~ bonds for any particular  
 28 property or properties, the **board of** trustees of Vincennes University  
 29 may:

30 (1) limit the amount of bonds that may be issued as a first lien and  
 31 charge against ~~such the~~ property or properties and the net income  
 32 ~~therefrom, from the properties; or may~~

33 (2) **subsequently** authorize the issuance from time to time  
 34 ~~thereafter~~ of additional obligations secured by the same lien:

35 (A) to provide funds for the completion of the property or  
 36 properties on account of which the original bonds were issued;  
 37 or

38 (B) for any other purpose ~~authorized by this chapter, for~~  
 39 **which Vincennes has authority to issue bonds;**

40 or both. ~~Such~~

41 (b) Additional bonds:

42 (1) shall be issued on ~~such the~~ terms and conditions ~~as that the~~  
 43 **board of** trustees of Vincennes University ~~may determine;~~  
 44 **determines;** and

45 (2) may be secured equally and ratably, without preference,  
 46 priority, or distinction, with the original issue of bonds or may be



made junior ~~thereto~~ **to the original bonds.**

[23-13-18-15(d)] ~~(d)~~ **Sec. 6.** If the **board of** trustees of Vincennes University ~~determine~~ **determines** that it would be advantageous to ~~the corporation~~ **Vincennes University** to exchange funding or refunding bonds for ~~the~~ bonds being refunded, ~~such~~ **the** exchange may be made, **provided if** the actual interest cost is not increased.

[23-13-18-17(a)] ~~Sec. 17.~~ **7. (a)** Bonds authorized by ~~section 15 of~~ **under** this chapter may be issued in an amount or amounts as the **board of** trustees of Vincennes University ~~determine.~~ **determines.** However, the bonds ~~authorized~~ may not exceed:

(1) the total estimated cost of any proposed building, facility, work, act, or undertaking authorized, including interest during construction, incidental expenses, debt service reserves, and financing costs; or

(2) the amount required to effect any proposed funding or refunding operation.

[23-13-18-17(b)] ~~(b)~~ **Sec. 8.** The bonds **authorized under this chapter** may be issued in the form, upon the terms and conditions, at the rates of interest, and in the denominations (which may be made convertible into different denominations) ~~as may be~~ determined by:

(1) the adoption of a resolution; or

(2) approval of a form of trust indenture between ~~the Vincennes~~ University and a designated corporate trustee;

or both.

[23-13-18-17(c)] ~~(c)~~ **Sec. 9.** The resolution or the indenture **for bonds authorized under this chapter** may include:

(1) provisions for protecting and enforcing the rights and remedies of the holders of the bonds being issued;

(2) covenants setting forth the duties of ~~the corporation~~ **Vincennes University** and its officers in relation to the acquisition, construction, operation, maintenance, use, abandonment, insurance to be carried on its property, and the maintenance of fees and charges to be collected on account of its property;

(3) provisions for the custody, safeguarding, application of all money, and the rights and remedies of the trustee and the holders of the bonds being issued;

(4) provisions for the issuance of additional bonds as provided in the resolution or indenture; and

(5) other terms, conditions, limitations, and covenants as the **board of trustees of Vincennes University** ~~consider~~ **considers** proper.

[23-13-18-17(d)] ~~(d)~~ **Sec. 10.** The bonds **authorized under this chapter** shall be sold at public sale or negotiated sale to the highest bidder as provided by ~~IC 4-1-5.~~ **IC 21-32-3.** All bonds and the interest coupons appertaining to the bonds issued under this chapter are



negotiable instruments within the meaning and for all purposes under the laws of ~~this state~~, **Indiana**, subject only to the provisions of the bonds for registration as to principal, or as to principal and interest. Any bonds registered as to principal and interest may be made convertible to bearer bonds with coupons.

[23-13-18-17(e)] ~~(e)~~ **Sec. 11.** ~~No~~ **An** action to contest the validity of any bonds issued under this chapter ~~shall~~ **may not** be brought after the fifteenth day following:

(1) the first publication of notice of the sale or intent to sell the bonds under ~~IC 4-1-5~~, **IC 21-32-3** if the bonds are sold at public sale; or

(2) the publication one (1) time in newspapers described in ~~IC 4-1-5~~ **IC 21-32-3-3** of notice of execution and delivery of the contract of sale for the bonds if the bonds are sold at negotiated sale.

[23-13-18-17(f)] ~~(f)~~ **Sec. 12.** ~~The Vincennes~~ University shall publish notice under ~~subsection (e)(2) section 11(2) of this chapter~~ if it sells bonds at negotiated sale ~~no~~ **not** later than thirty (30) days after the execution of the contract of sale for the bonds.

[23-13-18-17(g)] ~~(g)~~ **Sec. 13.** The rate or rates of interest of the bonds may be fixed or variable. Variable rates ~~shall be~~ **are** determined under the procedures set forth in the resolution or indenture authorizing the issuance of the bonds. Bonds bearing a variable rate of interest may be converted to bonds bearing a fixed rate or rates of interest as set forth in the resolution or indenture. The interest may be payable semiannually, annually, or at other intervals ~~as may be~~ provided in the resolution or indenture, or the interest may be compounded and paid at maturity or at any other time ~~as~~ specified in the resolution or indenture.

[23-13-18-18] ~~Sec. 14.~~ **Sec. 14.** The bonds and coupons ~~appertaining thereto shall~~ **pertaining to the bonds shall** be executed in the corporate name by the manual or facsimile signatures of ~~such the~~ officer or officers of ~~the Vincennes~~ University ~~as that the board of trustees shall designate.~~ **designates.** The signature of at least one (1) ~~such designated~~ officer on each ~~such~~ bond ~~shall must~~ be a manual signature. The seal or a facsimile ~~thereof of the Vincennes~~ University ~~shall must~~ be affixed, imprinted, engraved, or otherwise reproduced on each bond. In case any officer whose manual or facsimile signature appears on any bond or coupon ~~shall cease~~ **ceases** to be ~~such a~~ **designated** officer before the delivery of ~~such the~~ bonds, ~~such the~~ signature ~~shall nevertheless be~~ **is** valid and sufficient for all purposes as if ~~he the officer~~ had remained in office until ~~such~~ delivery. The resolution or trust agreement ~~pursuant to under~~ which ~~such the~~ bonds are issued may provide for the authentication of the bonds by the trustee designated ~~therein.~~ **in the resolution of trust agreement.**

[23-13-18-19] ~~Sec. 15.~~ **Sec. 15.** Any bonds issued ~~pursuant to under the~~ **provisions of** this chapter ~~shall be~~ **are** eligible investments for the





funds of any kind or character of every financial institution, insurance company, or private trust. ~~and such~~ **The bonds shall be** are eligible for deposit by any financial institution, insurance company, or trustee under any law of ~~this state~~ **Indiana** providing for the deposit of securities or funds.

[23-13-18-22] Sec. ~~22~~: **16. No** Indebtedness, a bond, or an obligation incurred or created under the authority of this chapter ~~shall~~ **may not** be or become a lien, charge, or liability against ~~the Vincennes University nor or~~ against the property or funds of ~~the Vincennes University~~ except to the extent authorized by this chapter.

[23-13-18-27] Sec. ~~27~~: **17.** All bonds issued under the authority of this chapter together with the interest ~~thereon~~, **on the bonds shall be** are exempt from taxation as provided by IC 6-8-5.

**Chapter 7. Revenue Producing Property; Financing Agreements with a Developer or User**

[20-12-1.5-1] Sec. 1. It is ~~hereby~~ found and declared that:

(1) there is a need for the development of various facilities to properly service the various campuses of ~~Indiana University, Purdue University, Ball State University, Indiana State University, and Vincennes University~~ and that **state educational institutions;**

(2) an additional and alternative method for developing and financing ~~such~~ facilities should be provided; ~~it is further found and declared that such and~~

(3) facilities would provide additional employment opportunities and would otherwise fulfill the public purposes set forth in IC 36-7-12.

[20-12-1.5-2 (part)] ~~"University" means Indiana University, Purdue University, Ball State University, Indiana State University, Vincennes University, and any other state university. This chapter applies to any state educational institution.~~

[20-12-1.5-2 (part)] Sec. 2. **This chapter applies to** buildings and equipment located on or immediately adjacent to a ~~university~~ campus **of a state educational institution**, the primary purpose of which is to make available or provide:

(1) offstreet parking;

(2) alternative transportation systems;

(3) office space;

(4) convenience, retail, and service establishments;

(5) bookstores;

(6) research;

(7) outpatient and extended care;

(8) food service;

(9) temporary lodging quarters or similar structures used by students, faculty, staff, patients, or visitors; or

(10) housing used by students in connection with hospitals or



1 health care units.

2 However, the term does not include undergraduate dormitories.

3 [20-12-1.5-8] ~~Sec. 8.~~ **3.** This chapter is supplemental to other laws  
4 pertaining to ~~the universities~~ **state educational institutions** and ~~shall~~  
5 **does** not repeal any other laws or impair any other powers or  
6 responsibilities granted to ~~the universities.~~ **state educational**  
7 **institutions.**

8 Sec. ~~3.~~ **4.** In addition to any other powers ~~which it that a state~~  
9 **educational institution may have; has, each university the board of**  
10 **trustees of a state educational institution** may:

11 (1) enter into agreements concerning and to acquire by:

12 (A) gift;

13 (B) purchase; or

14 (C) lease;

15 land or interests in land and personal property needed for the  
16 purposes of this chapter;

17 (2) purchase, lease as lessee or lessor, construct, remodel, rebuild,  
18 enlarge, or substantially improve ~~facilities;~~ **property;**

19 (3) enter into financing agreements, including leasing land or  
20 ~~facilities~~ **property** to users or developers, subject to ~~the~~  
21 ~~provisions of~~ this chapter; and

22 (4) enter into agreements with users or developers to allow ~~such~~  
23 users or developers to wholly or partially construct and manage  
24 ~~facilities.~~ **property.**

25 [20-12-1.5-4 (part)] ~~Sec. 4.~~ **5.** If the **board of trustees shall**  
26 **determine of a state educational institution determines** that it is  
27 desirable to develop ~~facilities~~ **property pursuant to** under this chapter,  
28 **it the board of trustees** shall adopt a resolution finding that:

29 (1) the ~~facilities are~~ **property is** needed to adequately furnish  
30 services to the students, faculty, staff, patients in hospitals or  
31 health care units operated by the ~~university~~ **state educational**  
32 **institution, or visitors thereto, to hospitals or health care units**  
33 **operated by the state educational institution; and that such**

34 (2) **the** services are not now being adequately furnished by others  
35 in the immediate area of the campus.

36 [20-12-1.5-4 (part)] ~~Sec. 6.~~ **6.** The resolution **under section 5 of this**  
37 **chapter shall must** provide that the plans and specifications for the  
38 ~~facilities~~ **property** and for the development and management ~~thereof~~  
39 **of the property** shall be approved by the **board of** trustees.

40 [20-12-1.5-4 (part)] ~~Sec. 7.~~ **7.** If the management and operation of the  
41 ~~facility~~ **property** is to be by a developer or user, the specifications for  
42 the ~~facility~~ **property** shall **must** require that the ~~facility~~ **property** will  
43 be generally available to the students, faculty, staff, patients in  
44 hospitals or health care units, and visitors ~~thereto, to hospitals or~~  
45 **health care units,** without discrimination and at reasonable charges.  
46 These charges shall be reviewed and revised ~~from time to time~~



periodically by the ~~university~~ **board of trustees of the state educational institution** so as to assure that ~~such~~ the charges ~~shall~~ are at all times ~~be~~ nondiscriminatory and reasonable.

[20-12-1.5-5 (part)] ~~Sec. 5:~~ **8.** The **board of trustees of a state educational institution** shall take ~~such~~ action to invite proposals for the development, use, and management, if applicable, of ~~the facilities~~ **property** so as to provide open and competitive proposals.

[20-12-1.5-5 (part)] ~~Sec. 5:~~ **9.** In making an award **for the development, use, and management, if applicable, of property**, the **board of trustees of a state educational institution** may consider:

- (1) the experience and financial ability of a developer or user;
- (2) the plans and specifications for the ~~facilities~~; **property**;
- (3) the size and cost ~~thereof~~; **of the property**;
- (4) payments to be made to or from the ~~university~~; **state educational institution**;
- (5) the method of financing and the terms and conditions of any proposed financing agreement; and
- (6) any other factors of benefit to the ~~university~~; **state educational institution**.

[20-12-1.5-5 (part)] ~~Sec. 10.~~ **10.** ~~The~~ An award ~~shall~~ **for the development, use, and management, if applicable, of property** is not ~~be~~ final until:

- (1) approved by the governor and the ~~state~~ budget agency, with the recommendation of the ~~state~~ budget committee; and ~~not until~~
- (2) the notice is provided as specified in section ~~6~~ **11** of this chapter.

[20-12-1.5-6] ~~Sec. 6:~~ **11. (a)** A notice of the determination to make an award **for the development, use, and management, if applicable, of property** that briefly ~~describing~~ **describes**:

- (1) the ~~facilities~~; **property**;
- (2) the purpose ~~thereof~~; **of the property**; and
- (3) ~~a brief summary of~~ the principal terms of any financing agreement;

shall be published **under this section**.

**(b) The notice under subsection (a) shall be published in:**

- (1) two (2) newspapers of general circulation in ~~the city of~~ Indianapolis;
- (2) one (1) newspaper of general circulation in the city where the ~~facility~~ **property** is to be located; and
- (3) one (1) newspaper of general circulation in the city where the principal campus of the ~~university~~ **state educational institution** is located. ~~Such~~

**(c) The notice under subsection (a) shall must** be published once each week for two (2) successive weeks.

~~(d) No~~ **An** action to contest the validity of any financing agreement ~~shall may not~~ be commenced more than thirty (30) days following the



last publication **under this section** of notice of the determination to make an award.

[20-12-1.5-7] Sec. ~~7~~ **12**. All payments received by ~~universities a state educational institution pursuant to under a~~ financing ~~agreements agreement~~ authorized by this chapter ~~shall be~~ **are** exempt from all taxation.

SECTION 47. IC 21-36 IS ADDED TO THE INDIANA CODE AS A **NEW** ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]:

**ARTICLE 36. STATE EDUCATIONAL INSTITUTIONS: DISPOSITION OF PROPERTY**

**Chapter 1. General Provisions; Definitions**

[New] Sec. 1. **The definitions in this chapter apply throughout this article.**

[20-12-11-2(c)(part)] (~~3~~) **a** Sec. 2. "Political subdivision" (~~as defined has the meaning set forth in IC 36-1-2-13.~~

[20-12-11-2(c)(part)] (~~2~~) **Sec. 3.** ~~a~~ "State agency" (~~as defined has the meaning set forth in IC 2-2.1-3-1. or~~

[20-12-5-5(b) (part)] **Sec. 4.** "Trust" (~~as defined has the meaning set forth in IC 30-4-1-1(a)).~~

**Chapter 2. Disposition of Property to a Trust**

[20-12-5-5(a)] Sec. ~~5~~ **1.** (~~a~~) This ~~section~~ **chapter** applies to the disposal of surplus real or personal property by a state educational institution.

[20-12-5-5(b) (part)] (~~b~~) **Sec. 2.** Whenever surplus real property or personal property is disposed of by acceptance of bids, a bid submitted by a trust (~~as defined in IC 30-4-1-1(a))~~ must identify each:

- (1) beneficiary of the trust; and
- (2) settlor empowered to revoke or modify the trust.

**Chapter 3. Sale of Real Estate**

[20-12-11-1 (part)] Sec. 1. **This chapter applies to the following state educational institutions: The trustees of**

- (1) Indiana University. ~~the trustees of~~
- (2) Purdue University. ~~the~~
- (3) Indiana State University. ~~board of trustees; and the~~
- (4) Ball State University.

[20-12-11-5] Sec. ~~5~~ **2.** This chapter shall at all times be construed as supplemental to all other statutes providing for the sale of real estate by ~~said a state educational corporations; institution.~~

[20-12-11-1(part)] **Sec. 3.** ~~The board of trustees are each hereby respectively authorized and empowered to of a state educational institution may sell and convey any real estate title to which that is in their respective names the name of the:~~

- (1) **board of trustees of the state educational institution; or in the name of the**
- (2) **state of Indiana for the use and benefit of said corporations**



1           **respectively the state educational institution;**  
 2 as provided in this chapter.

3           [20-12-11-2(a) (part)] ~~Sec. 2:~~ **4. (a) If** The board of trustees of ~~any~~  
 4 of ~~said corporations shall~~ **a state educational institution may**  
 5 ~~determine by appropriate resolution that any real estate: (not~~

6           **(1) that was not** acquired by gift or ~~devise~~); ~~to which devise; and~~

7           **(2) for which the title of the real estate** is in the name of ~~such~~  
 8 ~~corporation; the:~~

9           **(A) state educational institution; or in the name of the**

10           **(B) state of Indiana for its the use and benefit of the state**  
 11 **educational institution;**

12 is not needed for any of the purposes of ~~said corporation the state~~  
 13 **educational institution** and that it would be advantageous ~~to such~~  
 14 **corporation for the state educational institution** to give or sell ~~and~~  
 15 ~~convey the same; the real estate.~~

16           [20-12-11-2(a) (part)] **Sec. 5. If a determination is made under**  
 17 **section 4 of this chapter to dispose of real estate,** the board of  
 18 trustees of ~~such institution the state educational institution~~ shall  
 19 ~~cause a~~ **adopt a resolution and send** copy of ~~said the~~ resolution, duly  
 20 certified, to ~~be delivered~~ to the governor. ~~of the state of Indiana.~~

21           [20-12-11-2(b)] ~~(b)~~ **Sec. 6.** Except as provided in ~~subsection (c);~~  
 22 **section 7 of this chapter,** the value of the real estate ~~described in~~  
 23 ~~subsection (a)~~ to be sold and conveyed **under this chapter** shall be  
 24 determined by three (3) disinterested appraisers appointed by the  
 25 governor. ~~No~~ Real estate ~~shall may not~~ be sold or conveyed for less  
 26 than the appraised value.

27           [20-12-11-2(c)] ~~(c)~~ **Sec. 7.** A board of trustees ~~described in this~~  
 28 **chapter of a state educational institution** may give or sell real estate  
 29 described in a resolution adopted by the board of trustees and delivered  
 30 to the governor; **in the manner provided by this chapter to:**

31           (1) the state;

32           (2) a state agency; ~~(as defined in IC 2-2.1-3-1); or~~

33           (3) a political subdivision; ~~(as defined in IC 36-1-2-13);~~

34 for any or no consideration, as determined by the board of trustees of  
 35 **the state educational institution** and the governmental entity to which  
 36 the real estate is transferred.

37           [20-12-11-3 (part)] ~~Sec. 8. therefor, as shall have been~~ **The price**  
 38 **that is agreed upon and as on by the purchaser and the board of**  
 39 **trustees under this chapter** shall be certified by the board of trustees  
 40 of ~~such corporation the state educational institution~~ desiring to sell  
 41 ~~the same;~~ to the treasurer of ~~said corporation for its use and benefit and~~  
 42 **the state educational institution.**

43           [20-12-11-3 (part)] ~~Sec. 3:~~ **9.** The purchaser or purchasers of ~~any~~  
 44 real estate ~~so that:~~

45           **(1) has been sold; or to whom such real estate**

46           **(2) is to be conveyed;**



under this chapter shall pay the ~~purchase-money~~ purchase money to the treasurer of the state educational institution selling the real estate for the use and benefit of the state educational institution.

[20-12-11-3 (part)] **Sec. 10.** The treasurer of the state educational institution shall take the issue a receipt of such treasurer therefor, except that in the case of real estate sold by State Teachers College Board payment shall be made to the treasurer of Indiana State Teachers College or to the treasurer of Ball State Teachers College, depending upon which institution's real estate is the subject of such sale, to the purchaser of real estate being sold or conveyed under this chapter.

[20-12-11-3 (part)] **Sec. 11.** A purchaser of real property under this chapter shall ~~Upon presentation~~ submit to the auditor of the state: of

(1) the receipt of said issued from the treasurer of the state educational institution selling real estate under this chapter; accompanied by a request in the form of and

(2) a request to convey title to real estate in the form of a certified copy of a the resolution duly adopted by of the board of trustees of such corporation, of the state educational institution setting forth the terms and conditions of such the sale and conveyance of the real estate.

[20-12-11-3 (part)] **Sec. 12.** Upon presentation of the documents required under section 11 of this chapter:

(1) the auditor of state shall ~~cause to be executed~~ execute a deed of conveyance to such the purchaser; which

(2) the governor deed shall be signed by sign the governor deed; and

(3) the auditor of state shall officially attested attest the deed by the auditor of state with the seal of the state of Indiana.

[20-12-11-4 (part)] **Sec. ~~4~~ 13.** The proceeds derived from the sale and conveyance of any such real estate under this chapter shall must be received and kept by the corporation state educational institution selling the same real estate in a separate and distinct fund. and

[20-12-11-4 (part)] **Sec. 14.** The board of trustees of said corporation, a state educational institution, with the approval of the governor, of the state of Indiana, shall have authority to may reinvest and use such the proceeds from the sale of real estate under this chapter, as in the judgment of the board of trustees of said corporation shall be for the state educational institution finds will provide the greatest benefit to the state educational institution, for the purchase and/or or improvement, or both, of other real estate acquired or to be acquired in the name of said corporation the:

(1) state educational institution; or in the name of the

(2) state of Indiana for the use and benefit of said corporations. the state educational institution.



SECTION 48. IC 21-37 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]:

**ARTICLE 37. STATE EDUCATIONAL INSTITUTIONS: CONTRACTS; PROCUREMENT**

**Chapter 1. General Provisions; Definitions**

**Sec. 1. The definitions in this chapter apply throughout this article.**

[20-12-68-2] Sec. 2. ~~As used in this chapter,~~ "Biodegradation" has the meaning set forth in IC 5-22-5-6.

[20-12-68-3] Sec. 3. ~~As used in this chapter,~~ "Chemical degradation" has the meaning set forth in IC 5-22-5-6.

[20-12-68-4] Sec. 4. ~~As used in this chapter,~~ "Photodegradation" has the meaning set forth in IC 5-22-5-6.

[20-12-68-5] Sec. 5. ~~As used in this chapter,~~ "Refuse bag" has the meaning set forth in IC 5-22-5-6.

[20-12-3.1-1] Sec. ~~1~~. ~~As used in this chapter,~~ "state educational institution" has the meaning set forth in IC 20-12-0.5-1.

[20-12-3.1-2] Sec. ~~2~~. ~~6~~. ~~As used in this chapter,~~ "Supplies" has the meaning set forth in IC 5-22-2-38.

[20-12-3-2 (part)] Sec. 7. "Trust" ~~(as defined)~~ has the meaning set forth in IC 30-4-1-1(a).

**Chapter 2. Contracts**

[20-12-57.5-11(c)] Sec. 1. The board of trustees of Ball State University may ~~(c)~~ let contracts.

[20-12-64-5(2)] Sec. 2. The University of Southern Indiana may ~~(2)~~ let contracts.

**Chapter 3. Supplemental Procurement Procedures; Professional and Expert Services; Construction, Alternation, and Repair of Facilities**

[20-12-3-3] Sec. ~~3~~. 1. The authority conferred by this chapter is an independent authority not limited by but supplemental to the provisions of any other statute concerning the same subject matter.

[20-12-3-1] Sec. ~~1~~. 2. A state supported institution of higher learning educational institution may contract for professional or expert services and may contract with agents for the construction, alteration, or repair of any building or facility of such institution. the state educational institution's buildings or facilities.

[20-12-3-2 (part)] Sec. ~~2~~. 3. (a) ~~In~~ Before securing these services described in section 2 of this chapter, the state educational institution shall must invite bids from not less than at least three (3) bidders. The state educational institution shall must mail a notice to each bidder not less than ten (10) days before the time fixed for receiving bids. Each bidder shall submit under oath as a part of the bid a statement of:

(1) the bidder's professional experience;



- (2) the bidder's proposed plan for performing the work;
- (3) the equipment and personnel available for the performance of the work;
- (4) the bidder's current financial status;
- (5) the bidder's best estimate of the cost of each item of work to be performed including a breakdown of all labor and materials required to complete the work; and
- (6) if a trust, ~~(as defined in IC 30-4-1-1(a))~~, the name of each beneficiary of the trust and settlor empowered to revoke or modify the trust.

(b) ~~Upon submission of~~ **After the bids have been submitted to the institution, the state educational institution** may only contract with the lowest and best bidder ~~upon such using~~ terms and conditions ~~as that~~ will accomplish the work at the lowest possible cost to the state.

#### **Chapter 4. Purchasing Preferences**

[20-12-3.1-3] ~~Sec. 3: 1.~~ A state educational institution shall comply with IC 5-22-15 when purchasing supplies.

#### **Chapter 5. Recycled Paper Products**

[20-12-67-1] ~~Sec. 1:~~ This chapter applies to all state colleges and universities supported in whole or in part by appropriations made by the general assembly.

[20-12-67-2] ~~Sec. 2:~~ **1.** A state college or university educational institution shall, when economically feasible, make reasonable efforts to collect the recyclable paper that the college or university state educational institution uses.

[20-12-67-3] ~~Sec. 3:~~ **2.** A state college or university educational institution shall procure recycled paper products if:

- (1) the recycled paper products are available; and
- (2) it is economically feasible for the college or university state educational institution to use the recycled paper products.

#### **Chapter 6. Degradable Plastic Products**

[20-12-68-1] ~~Sec. 1:~~ This chapter applies to all state colleges and universities supported in whole or in part by appropriations made by the general assembly.

[20-12-68-6] ~~Sec. 6:~~ **1.** When procuring disposable plastic products, including refuse bags, a state college or university educational institution shall procure disposable plastic products that are degradable if:

- (1) degradable products are available at the time of the procurement;
- (2) it is economically feasible to procure degradable products;
- (3) the procurement of degradable products is not inappropriate because of:
  - (A) federal regulations or policy in matters involving the federal government; or
  - (B) the special requirements of scientific uses;





(4) the degradable product to be procured is economically and functionally the equivalent of disposable plastic products that:

(A) meet applicable specifications; and

(B) are not degradable; and

(5) the degradable product to be procured is, in the determination of the state ~~college or university~~; **educational institution**, a type of product for which the use of degradable materials is appropriate based upon:

(A) the functional use of the product; and

(B) whether the product will probably be recycled or disposed of in a final disposal facility.

SECTION 49. IC 21-38 IS ADDED TO THE INDIANA CODE AS A **NEW ARTICLE TO READ AS FOLLOWS** [EFFECTIVE JULY 1, 2007]:

**ARTICLE 38. STATE EDUCATIONAL INSTITUTION: PERSONNEL; COMPENSATION; BENEFITS**

**Chapter 1. General Provisions; Definitions**

[New] **Sec. 1. The definitions in this chapter apply throughout this article.**

[21-6.1-8-1(1)] ~~Sec. 1.~~ **2. The following definitions apply throughout this chapter:** ~~(1)~~ "Compensation" means **the sum of the following:**

~~(A)~~ **(1)** The fiscal year salary received by an employee. ~~plus~~

~~(B)~~ **(2)** An amount not to exceed two thousand dollars (\$2,000) received from the **state educational institution of higher education** in contemplation of the employee's retirement, including severance pay, termination pay, retirement bonus, or commutation of sick leave or personal leave.

[20-12-69-1] ~~Sec. 1.~~ **3. As used in this chapter,** "Council" refers to the Indiana excellence in teaching council.

[20-12-3.2-1(a)] ~~Sec. 1.~~ **4. (a) For purposes of this chapter,** "Covered individual" means an individual entitled to coverage under an employee health plan.

[20-12-69-2] ~~Sec. 2.~~ **5. As used in this chapter,** "Distinguished teacher" means an individual who:

(1) has demonstrated excellence in teaching as judged by the individual's students and peers; and

(2) is or will be employed in a full-time faculty position at ~~the a~~ **state educational institution.**

[20-12-3.2-1(b)] ~~(b)~~ **Sec. 6. For purposes of this chapter,** "Early intervention services" means services provided to a first steps child under IC 12-12.7-2 and 20 U.S.C. 1432(4).

[New] **Sec. 7. "Employee" refers to an employee of a state educational institution.**

[20-12-3.2-1(c)] ~~(c)~~ **Sec. 8. For purposes of this chapter,** "Employee health plan" means:



(1) a program of self-insurance established and maintained by a state educational institution ~~(as defined in IC 20-12-0.5-1)~~ to cover the provision of health care services (as defined in IC 27-8-11-1) to its employees;

(2) a group contract entered into or renewed by a state educational institution with a health maintenance organization (as defined in IC 27-13-1-19) to provide services to employees of the state educational institution; or

(3) a policy of accident and sickness insurance (as defined in IC 27-8-5-1) issued or renewed on a group basis to a state educational institution to provide coverage for employees of the state educational institution.

[New] **Sec. 9. "Endowment" refers to an endowment described in IC 21-38-8-2.**

[20-12-3.2-1(d)] ~~(d)~~ **Sec. 10. For purposes of this chapter, "First steps child" means an infant or toddler from birth through two (2) years of age who is enrolled in the Indiana first steps program and is a covered individual.**

[20-12-3.2-1(e)] ~~(e)~~ **Sec. 11. As used in this chapter, "First steps program" means the program established under IC 12-12.7-2 and 20 U.S.C. 1431 et seq. to meet the needs of:**

- (1) children who are eligible for early intervention services; and
- (2) their families.

The term includes the coordination of all available federal, state, local, and private resources available to provide early intervention services within Indiana.

[20-12-69-3] ~~Sec. 3:~~ **Sec. 12. As used in this chapter, "Foundation" refers to a tax exempt foundation related to the a state educational institution.**

[20-12-69-5] ~~Sec. 5: As used in this chapter, "institution" refers to a state educational institution (as defined in IC 20-12-0.5-1):~~

[21-6.1-8-1(2); 20-12-69-4] ~~(2)~~ **Sec. 13. "Fund":**

**(1) for purposes of IC 21-38-7, refers to the Indiana state teachers' retirement fund established by IC 5-10.4-2-1; and**

**(2) ~~Sec. 4: As used in this chapter, "Fund" for purposes of IC 21-38-8,~~ refers to the Indiana excellence in teaching endowment established under IC 21-38-8-2.**

[21-6.1-8-1(3)] ~~(3)~~ **Sec. 14. "Fund member", for purposes of IC 21-38-7, means a person an individual who qualifies for membership in the fund under IC 5-10.4-4-1.**

[21-6.1-8-1(4)] ~~(4)~~ **"Institution of higher education" means an institution of higher education that is supported in whole or in part by the state:**

[21-6.1-8-1(5)] ~~(5)~~ **Sec. 15. "Retirement benefit system" means a retirement benefit system established under IC 21-38-7 by an a state educational institution of higher education after June 30, 1980.**



**Chapter 2. Compensation of Members of a Board of Trustees**  
 [20-12-2-1;4-10-11-2.1 (part)] Sec. 1. **(a) This section applies to the following:**

- (1) The board of trustees of Indiana University.
- (2) The board of trustees of Purdue University.
- (3) The board of trustees of Indiana State Teachers' College, and University.
- (4) The board of trustees of Ball State Teachers' College shall receive when employed in the actual service of the university or college ten dollars (\$10.00) University.

**(b) Each member of the board of trustees of a state educational institution is entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b). and actual The member is also entitled to reimbursement for traveling expenses same to be paid from the appropriations for the institutions herein named: Provided, however, That when private automobiles are used as a means of transportation, mileage shall be allowed as provided in the appropriation act as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.**

[20-12-23-2(c) (part)] **to Sec. 2. The board of trustees of Indiana University may elect one (1) of their number president; to elect a treasurer, secretary, and such other officers as they may deem determine necessary, to prescribe the duties and fix the compensation of: such**

**(1) the president, treasurer, and secretary of the board of trustees; and**

**(2) the other officers of the board of trustees determined by the board of trustees to be necessary.**

[20-12-61-7(c); 20-12-61-7(d)] ~~(c)~~ **Sec. 3. (a) A member of the state board of trustees of Ivy Tech Community College is entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b), unless the member holds another position that is considered a lucrative office within the meaning of Article 2, Section 9 of the Constitution of the State of Indiana.**

~~(d)~~ **(b) A member of the state board of trustees of Ivy Tech Community College is entitled to reimbursement for travel expenses and other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures by the Indiana department of administration and approved by the budget agency.**

[20-12-61-11(c) (part)] **Sec. 4. Members of the a regional board of Ivy Tech Community College shall serve without pay but shall receive reimbursement for necessary expenses incurred in the conduct of business of the regional board.**

[20-12-64-12] Sec. ~~42~~ **5. Each member of the board of trustees of**



the University of Southern Indiana is entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b). ~~Such a~~ Each member is also entitled to reimbursement for traveling expenses and other expenses actually incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the department of administration and approved by the ~~state~~ budget agency.

[23-13-18-4 (g)] ~~(g)~~ **Sec. 6.** The members of the board of trustees of Vincennes University shall serve without compensation, except that each member is entitled to the salary per diem as provided by IC 4-10-11-2.1 and to reimbursement for travel, lodging, meals, and other expenses as provided in the state travel policies and procedures established by the Indiana department of administration and approved by the ~~state~~ budget agency.

### **Chapter 3. Employment of Personnel**

[20-12-1-4 (part)] **Sec. 1.** ~~Each such~~ (a) This section applies to the board of trustees of the following state educational institutions:

- (1) Ball State University.
- (2) Indiana University.
- (3) Indiana State University.
- (4) Purdue University.
- (5) University of Southern Indiana.

(b) The board is authorized to of trustees of a state educational institution may employ: ~~such~~

- (1) officers;
- (2) faculty;
- (3) employees;
- (4) consultants; and
- (5) counsel;

~~as it may deem~~ necessary or convenient to aid in the formulation and implementation of the state educational institution's policies and to execute its the will of the board of trustees within its particular institution.

[20-12-1-4 (part)] **Sec. 2.** (a) This section applies to the board of trustees of the following state educational institutions:

- (1) Ball State University.
- (2) Indiana University.
- (3) Indiana State University.
- (4) Purdue University.
- (5) University of Southern Indiana.

(b) ~~To such end~~ each carry out the purposes described in section 1 of this chapter, a board of trustees of a state educational institution may delegate to: ~~such~~

- (1) persons employed by the board of trustees; and to
- (2) others; ~~such~~

the authority as it may possess; ~~Provided,~~ that the board of trustees possesses. No manner of delegation ~~shall be~~ is irrevocable.



1 [20-12-57.5-11(i)] ~~(†)~~ **Sec. 3. The board of trustees of Ball State**  
 2 **University may** define the duties and provide compensation for faculty  
 3 and staff of the university including authority to establish fringe benefit  
 4 programs including retirement benefits ~~which that~~ may be  
 5 supplemental to, or ~~in lieu instead~~ of, state retirement programs for  
 6 teachers or other public employees as authorized by law.

7 [20-12-23-2(c) (part)] **Sec. 4. ~~to~~ The board of trustees of Indiana**  
 8 **University may:**

9 (1) elect a president, ~~such~~ the professors, and other officers for  
 10 ~~such~~ Indiana University as ~~shall be~~ are necessary and prescribe  
 11 their duties and salaries; ~~to~~

12 (2) employ other persons as necessary; ~~to~~ and

13 (3) establish programs of fringe benefits and retirement benefits  
 14 for ~~the~~ Indiana University's officers, faculty, and other employees  
 15 that may be supplemental to or ~~in lieu instead~~ of state retirement  
 16 programs established by statute for public employees;

17 [20-12-56-2 (part)] **Sec. 5. ~~and to~~ The board of trustees of Indiana**  
 18 **State University may** prescribe the duties and provide the  
 19 compensation, including retirement and other benefits, of the faculty,  
 20 administration, and employees of ~~the~~ Indiana State University.

21 [20-12-61-5(b) (part)] **Sec. 6. The ~~state~~ board of trustees of Ivy**  
 22 **Tech Community College** shall select and employ a president of the  
 23 **state educational** institution, with qualifications set out, and other staff  
 24 and professional employees as are required.

25 [20-12-61-13(a) (part)] **Sec. 7. The board of trustees of Ivy Tech**  
 26 **Community College may do the following:**

27 ~~(4)~~ (1) Develop a statewide salary structure and classification  
 28 system, including provisions for employee group insurance,  
 29 employee benefits, and personnel policies.

30 ~~(5)~~ (2) Employ the chief administrator of a regional institute.

31 ~~(6)~~ (3) Authorize the chief administrator of a regional institute to  
 32 employ the necessary personnel for the regional institute,  
 33 determine their qualifications, and fix their compensation in  
 34 accordance with statewide policies established under subdivision

35 ~~(4)~~: (1).

36 [20-12-36-4 (part)] **Sec. 8. ~~have power to~~ The board of trustees of**  
 37 **Purdue University may** elect all professors and teachers, removable  
 38 at their pleasure; fix and regulate compensations, including programs  
 39 of fringe benefits and retirement benefits that may be supplemental to  
 40 or in lieu of state retirement programs established by statute for public  
 41 employees.

42 [20-12-64-5(8)]~~(8)~~ **Sec. 9. The University of Southern Indiana**  
 43 **may** employ a faculty and staff for the university, define the duties of  
 44 the faculty and staff, and provide compensation for the faculty and  
 45 staff, including a program of fringe benefits and a program of  
 46 retirement benefits that may supplement or supersede the state



retirement programs established by statute for teachers or other public employees.

[23-13-18-5] ~~(2)~~ **Sec. 10. The board of trustees of Vincennes University may:**

(1) appoint ~~such the~~ subordinate officers ~~as~~ that they may think convenient for:

(A) the police of ~~said~~ Vincennes University; and for

(B) carrying ~~this chapter~~ the statutory powers and duties of Vincennes University into effect; and

(2) by ordinance: ~~to~~

(A) require such sureties from the several officers; ~~and to~~

(B) annex ~~such the~~ fees to the several officers of the corporation, Vincennes University; and ~~to~~

(C) impose such fines for a neglect of duty or misconduct in office;

as ~~to them shall appear~~ the board of trustees of Vincennes University determines proper.

[23-13-18-8(5)] ~~(5)~~ **Sec. 11. The board of trustees of Vincennes University may** elect and appoint persons of suitable learning and talents to be president and professors of ~~the said~~ Vincennes University and agree with them for their salaries and emoluments.

[23-13-18-7(d) (part)] ~~(4)~~ **Sec. 12. The** ~~said~~ president and professors ~~shall~~ of Vincennes University hold their offices during the pleasure of the board of trustees ~~and the president of the university; ex officio for the time being; shall be considered as one (1) of the trustees of said university.~~ of Vincennes University.

#### **Chapter 4. Litigation Expenses**

[20-12-1-4 (part)] **Sec. 1. Each (a) This section applies to the board of trustees of the following state educational institutions:**

(1) Ball State University.

(2) Indiana University.

(3) Indiana State University.

(4) Purdue University.

(5) University of Southern Indiana.

(b) The board of trustees of a state educational institution may provide:

(1) for the defense of ~~such~~ persons described in IC 21-38-3-1 or IC 21-38-3-2(2) and of members of the governing board ~~board of trustees~~ in any suit arising out of the performance of ~~his the~~ person's duties for, or employment with, ~~its respective the~~ state educational institution, ~~provided whenever~~ the governing board of trustees, by resolution, determines that ~~such the~~ action was taken in good faith; and

(2) for saving any ~~such~~ person described in IC 21-38-3-1 or IC 21-38-3-2(2) or a member of the board of trustees harmless from any liability, cost, or damage in connection ~~therewith, with~~



the performance of the person's duties for, or employment with, the state educational institution, including but not limited to the payment of any legal fees, except where such when the liability, cost, or damage is:

(A) predicated on, or arises out of, the bad faith of such the person; or member; or is

(B) based on his the person's malfeasance in office or employment.

#### **Chapter 5. University Faculty Oath**

[20-12-0.6-1] Sec. 1. ~~Faculty Oath or Affirmation.~~ **Except as provided in section 2 of this chapter,** before beginning employment, each professor or other ~~person~~ **individual** serving in a teaching capacity in a ~~university supported partially or totally by public funds~~ **state educational institution** shall subscribe, before an officer authorized by law to administer oaths, to the following oath or affirmation:

"I solemnly swear (or affirm) that I will support the constitution of the United States of America, the constitution of Indiana and the laws of the United States and of Indiana, and will, by precept and example, promote respect for the flag and the institutions of the United States and of Indiana, reverence for law and order and undivided allegiance to the government of the United States."

Two (2) copies of this oath or affirmation shall be executed. One (1) copy shall be filed with the ~~university~~ **president of the state educational institution.** and The ~~person~~ **individual** subscribing to the oath or affirmation shall retain the other copy.

[20-12-0.6-2] Sec. 2. ~~Alien Faculty Oath.~~ Before beginning employment, each person who is:

(1) a citizen or subject of any country other than the United States; and is

(2) to serve as a professor or in another teaching capacity in a ~~university supported partially or totally by public funds~~ **state educational institution;**

shall subscribe to an oath to support the United States' institutions and policies during ~~his the individual's~~ stay in Indiana.

#### **Chapter 6. Health Plans; First Steps Program Coverage**

[20-12-3.2-2] Sec. ~~2~~ **1.** An employee health plan that provides coverage for early intervention services shall reimburse the first steps program for payments made by the program for early intervention services that are covered under the employee health plan.

[20-12-3.2-4] Sec. ~~4~~ **2.** The reimbursement required under section ~~2~~ **1** of this chapter may not be applied to any annual or aggregate lifetime limit on the first steps child's coverage under the employee health plan.

[20-12-3.2-5] Sec. ~~5~~ **3.** The first steps program may pay required deductibles, copayments, or other out-of-pocket expenses for a first



steps child directly to a provider. An employee health plan shall apply any payments made by the first steps program to the employee health plan's deductibles, copayments, or other out-of-pocket expenses according to the terms and conditions of the employee health plan.

**Chapter 7. Transfer of Membership from Indiana State Teachers' Retirement Fund; State Appropriation**

[21-6.1-8-0.5] ~~Sec. 0-5.~~ **1.** This chapter applies to ~~an a state educational institution of higher education~~ that had at least one (1) employee who was a fund member on July 1, 1980.

[21-6.1-8-4] ~~Sec. 4.~~ **2.** This chapter does not limit the authority given to ~~an a state educational institution of higher education~~ under any other law.

[21-6.1-8-2(a)] ~~Sec. 2: (a)~~ **3.** ~~An A state educational institution of higher education~~ may establish a retirement benefit system for the employees of the ~~state educational institution. of higher education.~~

[21-6.1-8-2(j)] ~~(j)~~ **Sec. 4.** An employee may not be both an active:  
 (1) fund member; and  
 (2) retirement benefit system participant;  
 at the same time.

[21-6.1-8-2(b)] ~~(b)~~ **Sec. 5.** If ~~an a state educational institution of higher education~~ establishes a retirement benefit system ~~under subsection (a)~~ that includes as participants employees who otherwise qualify as fund members, the ~~state educational institution of higher education~~ must allow an employee who otherwise qualifies as a fund member to elect whether to participate in the retirement benefit system. If ~~an employee who otherwise qualifies as a fund member elects to participate in a retirement benefit system established under subsection (a); subsections (c) through (j) apply.~~

[21-6.1-8-2(h)] ~~(h)~~ **Sec. 6.** An employee's election under ~~subsection (b) section 5 of this chapter~~ must be in writing and is not effective until filed with the ~~state educational institution. of higher education.~~

[21-6.1-8-2(g)] ~~(g)~~ **Sec. 7.** If an employee is not a contributing fund member at the time the employee is initially hired by ~~an a state educational institution of higher education~~ that has established a retirement benefit system ~~under subsection (a);~~ the employee may file an election under ~~subsection (b) section 5 of this chapter~~ to participate in the employer's retirement benefit system not later than sixty (60) calendar days after the employee's initial employment date. ~~and The election is effective as if it had been made on the employee's initial employment date.~~

[21-6.1-8-2(c); 21-6.1-8-2(f)] ~~(c)~~ **Sec. 8.** If an employee is a contributing fund member at the time the employee elects under ~~subsection (b) under section 5 of this chapter~~ to participate in a retirement benefit system:

(1) the employee's rights in the fund on the date the employee's election is effective are the same as if the employee had





terminated employment on that date; **and**

**(2) (f) If an employee is a contributing fund member at the time the employee elects under subsection (b) to become a participant in a retirement benefit system, the employee's election and suspension of membership in the fund are effective on July 1 immediately following the date the employee files the election with the state educational institution. of higher education.**

[21-6.1-8-2(e)] **(e) Sec. 9.** After an employee's election under subsection (b) to become a participant in a retirement benefit system is **section 5 of this chapter becomes** effective, the employee is not entitled to rejoin the fund while the employee remains employed by the **state educational institution. of higher education.**

[21-6.1-8-2(d)] **(d) Sec. 10.** The service of an employee who is participating in a retirement benefit system may not be used to earn service credit, years of service, or for any other purpose by the fund.

[21-6.1-8-2(i)] **(i) Sec. 11.** The **state educational institution of higher education** shall inform the board of trustees of the fund of:

(1) the employee's election to participate in the retirement benefit system established ~~under subsection (a);~~ **by the state educational institution;** and

(2) the effective date of the employee's election.

[21-6.1-8-3] ~~Sec. 3-~~ **12.** (a) If ~~an~~ **a state educational institution of higher education** establishes a retirement benefit system applicable to employees of the institution who otherwise qualify as members of the fund under ~~IC 21-6.1-4-1,~~ **IC 5-10.4-4-1,** the general assembly shall appropriate to ~~an~~ **a state educational institution of higher education** that establishes a retirement benefit system ~~under section 2 of this chapter for the purpose of funding to fund~~ the retirement benefit system an amount estimated to be equal to seven and four-tenths percent (7.4%) of the compensation of an employee who:

**(1)** makes the election described in section ~~2(b)~~ **5** of this chapter; and

**(2)** becomes a participant in the retirement benefit system of the **state educational institution of higher education** for all or a part of the period of the appropriation.

(b) The **state educational institution of higher education** shall:

**(1)** estimate the sum described in subsection (a); and

**(2)** submit the estimate to the budget agency and to the commission for higher education for inclusion in the operating appropriation of the **state educational institution. of higher education.**

(c) The estimate described in subsection (b) must be submitted at the same time but separately from the request of the **state educational institution of higher education** for an operating appropriation.

## **Chapter 8. Indiana Excellence in Teaching Endowment**

[20-12-69-6] ~~Sec. 6-~~ **1.** The Indiana excellence in teaching council



is established. The council consists of nine (9) members as follows:

(1) One (1) representative of the commission for higher education.

(2) One (1) representative of the budget agency.

(3) One (1) representative from each ~~higher education state educational~~ institution. ~~set forth in IC 20-12-5.5-1.~~

[20-12-69-7] Sec. ~~7~~ **2**. (a) The Indiana excellence in teaching endowment is established to provide **state educational** institutions with grants to match interest income generated by an endowment ~~established under section 8 of this chapter~~ to attract and retain distinguished teachers. The fund shall be administered by the council.

(b) The expenses of administering the fund shall be paid from money in the fund.

(c) The treasurer of state shall invest the money in the fund not currently needed to meet obligations of the fund in the same manner as other public funds may be invested.

(d) Money in the fund at the end of the state fiscal year does not revert to the state general fund.

[20-12-69-8] Sec. ~~8~~ **3**. To qualify for a matching grant from the fund, ~~an~~ **a state educational** institution or a foundation must establish an endowment subject to the following criteria:

(1) The endowment must be created after July 1, 1990.

(2) Funds in the endowment must be solely dedicated for use in matching money granted from the fund.

(3) A donor to the endowment must restrict the gift for the sole purpose of generating income to attract and retain distinguished scholars.

(4) An institution or a foundation may not designate an unrestricted donation, endowment, or any other contribution made before July 1, 1990, to qualify for a matching grant.

[20-12-69-9] Sec. ~~9~~ **4**. ~~An~~ **A state educational** institution must apply for a matching grant in the manner prescribed by the council.

[20-12-69-10] Sec. ~~10~~ **5**. When determining a distinguished teacher's prominence the council shall consider ~~but is not limited to~~, the following criteria when distributing endowment funds:

(1) Evidence of excellent teaching ability.

(2) Distinguished accomplishments.

(3) Either:

(A) productive scholarship; or

(B) artistic achievement and superior talent.

**The council may consider any other criteria for distributing endowment funds that the council determines appropriate.**

[20-12-69-11] Sec. ~~11~~ **6**. (a) The council shall approve or disapprove a matching grant application within sixty (60) days after the application is received by the council.

(b) The council may approve a grant application with an amount



that is the same or less than the amount requested by the **state educational** institution.

[20-12-69-12] Sec. ~~12~~ **7.** (a) Each matching grant from the fund is intended to be used to supplement, and may not be used instead of, a distinguished teacher's regular annual salary.

(b) The council may not approve a matching grant from the fund that exceeds income generated from the endowment of the institution.

[20-12-69-13] Sec. ~~13~~ **8.** Staff for the council shall be provided by the commission for higher education.

[20-12-69-14] Sec. ~~14~~ **9.** An appropriation to the fund or a grant from the fund to ~~an~~ **a state educational** institution does not constitute a commitment to match endowment income in excess of the current appropriation in any subsequent biennium.

[20-12-69-15] Sec. ~~15~~ **10.** The council may:

(1) develop guidelines; and

(2) adopt rules under IC 4-22-2;

to administer the fund and this chapter.

## **Chapter 9. Vincennes University; Faculty and Student Exemption from Militia Duty**

[23-13-18-12] Sec. ~~12~~ **1.** The professors of Vincennes University during their professorship, and the students, while at the Vincennes University, ~~shall be~~ **are** exempt from militia duty.

SECTION 50. IC 21-39 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]:

## **ARTICLE 39. STATE EDUCATIONAL INSTITUTIONS: REGULATION OF CONDUCT**

### **Chapter 1. General Provisions; Definitions**

[New] Sec. **1.** The definitions in this chapter apply throughout this article

[New] Sec. **2.** "Police officer" refers to a police officer employed by a state educational institution under IC 21-39-4.

[20-12-1-8(a) (part)] Sec. **3.** "Political subdivision" ~~(as defined has the meaning set forth in IC 36-1-2-13.~~

[20-12-1-8(a) (part)] Sec. ~~8:~~ **4.** ~~an employee of a state educational institution (as defined in IC 20-12-0.5-1) may report in writing~~ "Violation" refers to the existence of:

(1) a violation of a federal law or regulation;

(2) a violation of a state law or rule;

(3) a violation of an ordinance of a political subdivision; ~~(as defined in IC 36-1-2-13); or~~

(4) the misuse of public resources.

### **Chapter 2. Regulations; Discipline**

[20-12-1-5]. Sec. ~~5:~~ **1.** ~~Nothing in Sections 2 through 5 of this chapter shall be deemed~~ **may not be construed** to discourage or disparage the status of students, faculty, and other persons or the valid



concerns of the public in matters of policy and of management of ~~the~~  
~~universities of this state:~~ **a state educational institution.**

[20-12-1-2(a)(2)] ~~(2)~~ **Sec. 2. to (a) This section applies to the**  
**board of trustees of the following state educational institutions:**

- (1) Ball State University.**
- (2) Indiana University.**
- (3) Indiana State University.**
- (4) Purdue University.**
- (5) University of Southern Indiana.**

**(b) The board of trustees of a state educational institution may**  
govern, by ~~specific~~ regulation and other lawful means, the conduct of  
students, faculty, employees, and others while upon the property  
owned, used, or occupied by the ~~institutions:~~ **state educational**  
**institution.**

[20-12-1-2(a)(3)] ~~(3)~~ **Sec. 3. To (a) This section applies to the**  
**board of trustees of the following state educational institutions:**

- (1) Ball State University.**
- (2) Indiana University.**
- (3) Indiana State University.**
- (4) Purdue University.**
- (5) University of Southern Indiana.**

**(b) The board of trustees of a state educational institution may**  
govern, by lawful means, the conduct of **the state educational**  
**institution's** students, faculty, and employees, wherever the conduct  
might occur, ~~to the end of preventing to prevent~~ unlawful or  
objectionable acts that:

- (1)** seriously threaten the ability of the **state educational**  
institution to maintain **the state educational institution's**  
facilities; ~~available for performance of or~~
- (2)** ~~that are in violation of~~ **violate** the reasonable rules and  
standards of the **state educational** institution designed to protect  
the academic community from unlawful conduct or conduct  
presenting a serious threat to person or property of the academic  
community.

[20-12-1-2(a)(4)] ~~(4)~~ **Sec. 4. to (a) This section applies to the**  
**board of trustees of the following state educational institutions:**

- (1) Ball State University.**
- (2) Indiana University.**
- (3) Indiana State University.**
- (4) Purdue University.**
- (5) University of Southern Indiana.**

**(b) The board of trustees of a state educational institution may**  
dismiss, suspend, or otherwise punish any student, faculty member, or  
employee of the **state educational** institution who violates the  
institution's rules or standards of conduct, after determination of guilt  
by lawful proceedings.



[20-12-1-3] Sec. ~~3~~ **5. (a) This section applies to the board of trustees of the following state educational institutions:**

- (1) Ball State University.**
- (2) Indiana University.**
- (3) Indiana State University.**
- (4) Purdue University.**
- (5) University of Southern Indiana.**

**(b) Conduct which that** constitutes a violation of the rules of the **state educational** institution may be punished, after determination of guilt by lawful procedures, without regard to whether ~~such~~ **the** conduct also constitutes an offense under the criminal laws of any state or of the United States or whether it might result in civil liability of the violator to other persons.

[20-12-57.5-11(h)] ~~(h)~~ **Sec. 6. The board of trustees of Ball State University may set fines and penalties.**

[20-12-23-7 (part)] **Sec. 7. and shall have power: First. The faculty of Indiana University may do the following:**

- (1) to Enforce the regulations adopted by the board of trustees of Indiana University for the government of the students. Second:**
- (2) To which end they may carry out subdivision (1):**
  - (A) reward and censure students; and may**
  - (B) suspend those students who continue refractory until a determination of the board of trustees concerning the students can be had. thereon.**

[20-12-64-5(7)] ~~(7)~~ **Sec. 8. The University of Southern Indiana may set fines and other sanctions for noncompliance with a University of Southern Indiana contract or rule.**

[23-13-18-8(2); 23-13-18-8(7);23-13-18-8(8)] ~~(2)~~ **Sec. 9. The board of trustees of Vincennes University shall:**

- (1) make ordinances for the government and discipline thereof; of Vincennes University;**
- ~~(7)~~ **(2) examine into the state of education and discipline therein; at Vincennes University; and**
- ~~(8)~~ **(3) make a yearly report thereof to the legislature and general assembly in an electronic format under IC 5-14-6.**

[23-13-18-7(c) (part)] **Sec. 10. The faculty of Vincennes University may ~~(+) of enforcing~~ enforce the rules and regulations adopted by the said board of trustees for the government and discipline of the said Vincennes University.**

### **Chapter 3. Report of Violation**

[20-12-1-8(a) (part)] **Sec. 8. 1.** An employee of a state educational institution ~~(as defined in IC 20-12-0.5-1)~~ may report in writing the existence of ~~(1) a violation of a federal law or regulation; (2) a violation of a state law or rule; (3) a violation of an ordinance of a political subdivision (as defined in IC 36-1-2-13); or (4) the misuse of public resources.~~ first to a supervisor or appointing authority, unless the



supervisor or appointing authority is the person whom the employee believes is committing the violation. ~~or misuse of public resources. In that case,~~

[20-12-1-8(a) (part)] **Sec. 2. If a supervisor or appointing authority is the person an employee of a state educational institution believes is committing a violation,** the employee may report the violation ~~or misuse of public resources~~ in writing to: ~~either:~~

(1) the supervisor; ~~or~~

(2) the appointing authority; ~~or to~~

(3) any official or agency entitled to receive a report from the state ethics commission under IC 4-2-6-4(b)(2)(J) or IC 4-2-6-4(b)(2)(K).

[20-12-1-8(a) (part)] **Sec. 3.** If a good faith effort is not made to correct ~~the problem~~ **a violation** within a reasonable time, the employee **of a state educational institution** may submit a written report of the incident to any person, agency, or organization.

[20-12-1-8(c)] ~~(c) Notwithstanding subsections (a) and (b),~~ **Sec. 4.** (a) An employee must make a reasonable attempt to ascertain the correctness of any information ~~to be furnished that the employee reports. and~~

(b) **An employee** may be subject to disciplinary actions, **including suspension or dismissal,** for knowingly furnishing false information ~~including suspension or dismissal, as~~ determined by the employee's appointing authority or the appointing authority's designee. ~~However, any~~

(c) **An employee** disciplined under this ~~subsection~~ **section** is entitled to process an appeal of the disciplinary action under the procedure set forth in any personnel policy or collective bargaining agreement adopted by the state educational institution.

[20-12-1-8(b)] ~~(b)~~ **Sec. 5.** ~~For having made a report~~ **Subject to section 4 of this chapter, if an employee makes a report of a violation under subsection (a), in conformity with this chapter,** the employee may not:

(1) be dismissed from employment;

(2) have salary increases or employment related benefits withheld;

(3) be transferred or reassigned;

(4) be denied a promotion that the employee otherwise would have received; or

(5) be demoted.

[20-12-1-8(d)] ~~(d)~~ **Sec. 6.** An employer who violates this ~~section~~ **chapter** commits a Class A infraction.

#### **Chapter 4. Powers to Appoint Police Officers**

[20-12-3.5-6] ~~Sec. 6.~~ **1.** This chapter is supplemental to all other statutes relating to the power of a state educational institution to appoint police officers.



[20-12-3.5-1 (part)] ~~Sec. 1:~~ **2.** The ~~Ball State University~~ board of trustees ~~Indiana State University~~ board of trustees; the trustees of ~~Indiana University~~ the trustees of ~~Purdue University~~ University of Southern Indiana board of trustees; the board of trustees of Vincennes University; and the governing board of any other college, university, or junior college that is accredited by the North Central Association is **authorized of a state educational institution may:**

- (1) ~~to~~ appoint police officers for the **state educational** institution for which it is responsible;
- (2) ~~to~~ prescribe their duties and direct their conduct;
- (3) ~~to~~ prescribe distinctive uniforms for the police of the **state educational** institution or campus; and
- (4) ~~to~~ designate and operate emergency vehicles.

[20-12-3.5-1 (part)] **Sec. 3.** Police officers appointed under this ~~section~~ **chapter** shall take an appropriate oath of office in the form and manner prescribed by the appointing ~~governing~~ board ~~and shall serve of trustees.~~

[20-12-3.5-1 (part)] **Sec. 4.** A **police officer** serves at its the pleasure **of the appointing board of trustees.**

[20-12-3.5-2(a)] ~~Sec. 2:~~ **5.** (a) Police officers ~~appointed under this chapter~~ have **the following powers, privileges, immunities, and duties:**

- (1) General police powers including the power to arrest, without process, all persons who ~~within their view~~ commit any offense **within the view of the officer.**
- (2) ~~They have~~ The same common law and statutory powers, privileges, ~~and~~ immunities as sheriffs and constables, except that they are empowered to serve civil process only to the extent authorized by the employing ~~governing~~ board ~~however, any powers may be expressly forbidden them by the governing board of the institution employing them. In addition to any other powers or duties, such police officers have of trustees.~~
- (3) The duty to enforce and to assist the officials of their **state educational** institutions in the enforcement of the rules and regulations of the **state educational** institution. ~~and~~
- (4) ~~The duty~~ to assist and cooperate with other law enforcement agencies and officers.

**(b) The board of trustees employing a police officer may expressly prohibit a police officer from exercising any of the powers otherwise granted by law.**

[20-12-3.5-2(b)] ~~(b)~~ **Sec. 6.** ~~Such police officers~~ A **police officer** may exercise the powers granted under this ~~section~~ **chapter** only upon ~~any~~ real property owned or occupied by ~~their institutions~~ the **state educational institution employing the police officer**, including the streets passing through and adjacent ~~thereto~~ to the **state educational institution.** Additional jurisdiction may be established by agreement



with the chief of police of the municipality or sheriff of the county or the appropriate law enforcement agency where the property is located, ~~dependent~~ **depending** upon the jurisdiction involved.

[20-12-3.5-2(c)] ~~(c)~~ **Sec. 7.** When ~~an eligible~~ **a** police officer retires after at least twenty (20) years of service, the police officer may retain the officer's service weapon. The officer is entitled to receive, in recognition of the service to the ~~department~~ **state educational institution** and the public, a badge that indicates that the officer is retired. Upon retirement, the **state police** department shall issue to the police officer an identification card that: ~~states:~~

- (1) states the police officer's name and rank at retirement;
- (2) states the officer's retired status; and
- (3) notes the officer's authority to retain the service weapon.

A police officer described in this ~~subsection~~ **section** is entitled to a lifetime license to carry a handgun under IC 35-47-2-3(e).

#### **Chapter 5. Traffic Regulation**

[20-12-3.5-3(d) (part)] ~~Sec. 3.~~ **1. (a)** This ~~section~~ **chapter** does not limit or restrict the powers of any other governmental authority having jurisdiction over public streets, roads, alleys, or ways.

[20-12-3.5-3(d) (part)] **Sec. 2.** The ~~governing~~ **board of trustees of the a state educational** institution may regulate the traffic and parking of:

- (1) motor vehicles;
- (2) bicycles; ~~or~~
- (3) other vehicles; and
- (4) **pedestrians; as well as the traffic of pedestrians**

on ~~over and across the all~~ streets, roads, paths, and grounds of real property owned, used, occupied, or controlled by ~~that the state educational~~ institution. ~~Such regulations~~

[20-12-3.5-3(d) (part)] **Sec. 3. Regulations adopted by the board of trustees of a state educational institution that are** applicable to traffic and parking may include ~~but not be limited to;~~ the following provisions:

- ~~(a)~~ **(1)** Provisions governing the registration, speed, operation, parking, and times, places, and manner of use of motor vehicles, bicycles and other vehicles.
- ~~(b)~~ **(2)** Provisions prescribing penalties for the violation of regulations. ~~which penalties—~~ **Penalties** may include the following:
  - (A)** Imposition of reasonable charges.
  - (B)** ~~the~~ Removing and impounding (at the expense of the violator) of vehicles ~~which that~~ are operated or parked in violation of regulations. ~~and~~
  - (C)** ~~the~~ Denial of permission to operate vehicles on the property of the **state educational** institution.
- ~~(c)~~ **(3)** Provisions establishing reasonable charges and fees for the





registration of vehicles and for the use of parking spaces or facilities owned or occupied by the **state educational** institution.

**Chapter 6. Request for Assistance from Law Enforcement Officers**

[20-12-3.5-4 (part)] ~~Sec. 4.~~ **1.** The ~~governing~~ board of trustees of ~~the a~~ **state educational** institution may empower one **(1)** or more officials of the **state educational** institution ~~for which it is responsible~~ to request the assistance of peace officers of the:

- (1)** state;
- (2)** ~~of~~ counties; ~~and~~
- (3)** ~~of~~ cities; and
- (4)** towns;

when it ~~appears~~ necessary. ~~so to do.~~

[20-12-3.5-4 (part)] **Sec. 2.** When any peace officer is on the property of the **state educational** institution by virtue of a request ~~under this chapter, he the peace officer shall possess~~ **possesses** all powers conferred by this ~~chapter article~~ upon police officers appointed by the ~~respective governing~~ board of trustees of the **state educational institution**, in addition to the powers otherwise conferred upon the peace officers by ~~the law. of the State of Indiana.~~

SECTION 51. IC 21-40 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]:

**ARTICLE 40. STATE EDUCATIONAL INSTITUTIONS: ADMISSION STANDARDS**

**Chapter 1. General Provisions; Definitions**

[New] **Sec. 1.** The definitions in this chapter apply throughout this article.

[20-12-71-1] ~~Sec. 1.~~ **2.** ~~As used in this chapter,~~ "Academic term" means the regularly scheduled period of on-campus instruction offered by a ~~postsecondary~~ **state educational** institution that is substantially comparable to a traditional semester.

[20-12-71-2] ~~Sec. 2.~~ **3.** ~~As used in this chapter,~~ "Certificate of immunity" means a form that meets the following requirements:

- (1)** Is acceptable to a ~~postsecondary~~ **state educational** institution.
- (2)** Establishes the immunity of the certificate holder.
- (3)** Consists of:
  - (A)** a physician's certificate, if available;
  - (B)** immunization records forwarded from another school or ~~postsecondary~~ **state educational** institution;
  - (C)** a record maintained by the student or a parent of the student showing the month and year during which each dose of vaccine was administered;
  - (D)** a form developed by the department ~~which that~~ may be used by ~~postsecondary~~ **state educational** institutions to meet the requirements of ~~this chapter, IC 21-40-5;~~ or



1 (E) evidence of having met alternative criteria defined by rules  
2 adopted under IC 4-22-2 by the department.

3 (4) Includes a line to be signed by the student or the student's  
4 parent or guardian that indicates compliance with ~~section 13.5(b)~~  
5 ~~of this chapter.~~ **IC 21-40-5-5.**

6 [20-12-71-3] Sec. ~~3:~~ **4.** ~~As used in this chapter,~~ "Department" refers  
7 to the state department of health.

8 [20-12-71-4] Sec. ~~4:~~ **5.** ~~As used in this chapter,~~ "Designated  
9 recordkeeping office" refers to the office designated by a ~~postsecondary~~  
10 **state educational** institution as being responsible for maintaining  
11 student immunization records under ~~this chapter.~~ **IC 21-40-5.**

12 [20-12-71-5] Sec. ~~5:~~ **6.** ~~As used in this chapter,~~ "Documentation of  
13 exemption" means a form that:

14 (1) is acceptable to ~~the postsecondary~~ **a state educational**  
15 institution; and

16 (2) indicates the circumstances as described in sections ~~13~~  
17 **IC 21-40-5-4** and ~~14 of this chapter~~ **IC 21-40-5-6** entitling the  
18 student to an exemption from the requirements in sections ~~11~~  
19 **IC 21-40-5-2** and ~~12 of this chapter.~~ **IC 21-40-5-3.**

20 [20-12-71-6] Sec. ~~6:~~ **7.** ~~As used in this chapter,~~ "Enroll" means the  
21 process:

22 (1) enabling a student to become a bona fide member of the  
23 student body of the ~~postsecondary~~ **state educational** institution;  
24 and

25 (2) entitling the student to officially audit or receive academic  
26 credit for on-campus instruction in Indiana.

27 [20-12-71-7] Sec. ~~7:~~ **8.** ~~As used in this chapter,~~ "Health care  
28 provider" means a:

- 29 (1) local health authority; ~~a~~
- 30 (2) licensed physician; ~~a~~
- 31 (3) licensed physician assistant; ~~a~~
- 32 (4) licensed pharmacist; or ~~a~~
- 33 (5) registered nurse.

34 [20-12-71-8] Sec. ~~8:~~ **8.** ~~As used in this chapter,~~ "postsecondary  
35 institution" refers to a public college, university, or other public  
36 institution providing education, degrees, or certificates above the high  
37 school level. The term does not include a private postsecondary  
38 educational institution or any other educational institution that offers  
39 degrees and instruction exclusively through correspondence courses.

40 [20-12-71-20(a)] Sec. ~~20:~~ **9.** ~~(a) As used in this section,~~ "Private  
41 institution", **for purposes of IC 21-40-5,** means an educational  
42 institution that:

43 (1) provides education, degrees, or certificates above the high  
44 school level; ~~but that and~~

45 (2) is not a ~~postsecondary~~ **state educational** institution.

46 [20-12-71-9] Sec. ~~9:~~ **10.** ~~As used in this chapter,~~ "Student", **for**



**purposes of IC 21-40-5**, means an individual who, for the first time:  
 (1) physically attends classes at a residential campus of a ~~postsecondary state educational~~ institution; and  
 (2) is enrolled in a ~~postsecondary state educational~~ institution as a full-time student (as defined in ~~585 IAC 3-1-22~~). **585 IAC 1-9-1(27))**.

## **Chapter 2. Equal Education Opportunity**

[20-33-1-1]: Sec. ~~1~~. The following is the public policy of the state:

- (1) To provide:
    - (A) equal;
    - (B) nonsegregated; and
    - (C) nondiscriminatory;
 educational opportunities and facilities for all, regardless of race, creed, national origin, color, or sex.
  - (2) To provide and furnish ~~public schools and common schools~~ **equally state educational institutions** open **equally** to all, and prohibited and denied to none because of race, creed, color, or national origin.
  - (3) To reaffirm the principles of:
    - (A) the Bill of Rights;
    - (B) civil rights; and
    - (C) the Constitution of the State of Indiana.
  - (4) To provide ~~for the state and the citizens of Indiana~~ a uniform democratic system of public ~~and common school~~ education **to the state and the citizens of Indiana**.
  - (5) To:
    - (A) abolish;
    - (B) eliminate; and
    - (C) prohibit;
 segregated and separate ~~schools or school districts departments or divisions of a state educational institution~~ on the basis of race, creed, or color.
  - (6) To eliminate and prohibit:
    - (A) segregation;
    - (B) separation; and
    - (C) discrimination;
 on the basis of race, color, or creed in ~~the public kindergartens, common schools, public schools, vocational schools, colleges, and universities of Indiana~~ **state educational institutions**.
- [20-33-1-7] Sec. ~~7~~ **2**. This chapter is supplemental to:
- (1) all common law, statutory law, and civil rights applicable to ~~the public schools, common schools, colleges, and universities~~ **state educational institutions**; and
  - (2) the rights and remedies arising from these laws of the state and to the ~~state's~~ **citizens of Indiana**.



[20-33-1-2] Sec. 2--3. The public schools of Indiana State educational institutions are open to all children until the children complete their courses of study, subject to the authority vested in school officials the state educational institutions by law.

[20-33-1-3] Sec. 3- 4. (a) The governing body of a school corporation and the board of trustees of a college or university state educational institution may not build or erect, establish, maintain, continue, or permit any segregated or separate

(1) public kindergartens;

(2) public schools or districts;

(3) public school departments or divisions; or

(4) colleges or universities; state educational institutions

on the basis of race, color, creed, or national origin of pupils or students.

(b) The officials described in subsection (a) may take any affirmative actions that are reasonable, feasible, and practical to effect greater integration and to reduce or prevent segregation or separation of races in public schools state educational institutions for whatever cause, including:

(1) site selection; or

(2) revision of:

(A) school districts;

(B) curricula; or

(C) enrollment policies;

to implement equalization of educational opportunity for all.

(c) A school corporation shall review the school corporation's programs to determine if the school corporation's practices of:

(1) separating students by ability;

(2) placing students into educational tracks; or

(3) using test results to screen students;

have the effect of systematically separating students by race, color, creed, national origin, or socioeconomic class.

[20-33-1-4] Sec. 4- 5. (a) A student is entitled to be admitted and enrolled in the public or common school in the school corporation in which the student resides without regard to race, creed, color, socioeconomic class, or national origin.

(b) (a) A student may not be prohibited, segregated, or denied attendance or enrollment to

(1) a:

(A) public school;

(B) common school;

(C) junior high school; or

(D) high school;

in the student's school corporation; or

(2) a college or university in Indiana; state educational institution



because of the student's race, creed, color, or national origin.

~~(c)~~ (b) Every student is free to attend

~~(1)~~ a

~~(A)~~ public school; or

~~(B)~~ department or division of a public school; or

~~(2)~~ college or university in Indiana; state educational institution

within the laws applicable alike to noncitizen and nonresident students.

[20-33-1-5] Sec. 5: 6. (a) A

~~(1)~~ public school;

~~(2)~~ state college; or

~~(3)~~ state university; educational institution

may not segregate, separate, or discriminate against any of its students on the basis of race, creed, or color.

(b) Admission to a ~~public school~~ state educational institution may not be approved or denied on the basis of race, creed, or color.

[20-33-1-6] Sec. 6: 7. A

~~(1)~~ public school;

~~(2)~~ state college; or

~~(3)~~ state university; educational institution

may not discriminate in any way in the hiring, upgrading, tenure, or placement of any teacher on the basis of race, creed, color, or national origin.

### Chapter 3. General Powers

[20-12-1-2(a)(6)] Sec. 2: 1. (a) This section applies to the board of trustees of the following state educational institutions:

(1) Ball State University.

(2) Indiana University.

(3) Indiana State University.

(4) Purdue University.

(5) University of Southern Indiana.

(b) The Ball State University, board of trustees, Indiana State University, board of trustees, the trustees of Indiana University, the trustees of Purdue University, and the University of Southern Indiana, board of trustees each as to its respective of a state educational institution shall have the power and duty:

~~(6)~~ to prescribe may set the conditions and standards of admission of students upon the bases as criteria that are in its opinion in the best interests of the state and the state educational institution.

[20-12-57.5-11(e)] ~~(c)~~ Sec. 2. The board of trustees of Ball State University may prescribe conditions for admission.

[20-12-64-5(4)] Sec. 3. The University of Southern Indiana may prescribe conditions for admission.

[23-13-18-8(4)] ~~(4)~~ Sec. 4. The board of trustees of Vincennes University shall regulate the admission of students and pupils into the same; Vincennes University.



**Chapter 4. Admission Standards; Completion of Core 40 Curriculum**

[20-12-17.5-1(a)] Sec. 1. ~~(a)~~ This chapter applies beginning with the class of students who enter a state educational institution as freshmen during the 2011-2012 academic year.

[20-12-17.5-1(b)] ~~(b)~~ As used in this chapter, "state educational institution" has the meaning set forth in ~~IC 20-12-0.5-1~~.

[20-12-17.5-2] Sec. 2. (a) This section does not apply to:

- (1) Ivy Tech Community College; ~~of Indiana~~; and
- (2) Vincennes University with respect to two **(2)** year degree programs.

(b) Except as provided in sections 5 and 6 of this chapter, each state educational institution must require a student who is an Indiana resident to have completed either:

- (1) the Core 40 curriculum established under IC 20-30-10; or
  - (2) a curriculum that is equivalent to the Core 40 curriculum;
- as a general requirement for regular admission as a freshman to the state educational institution.

(c) Each state educational institution must establish the institution's:

- (1) requirements for regular admission; and
- (2) exceptions to the institution's requirements for regular admission.

[20-12-17.5-3] Sec. 3. (a) This section applies to:

- (1) Ivy Tech Community College; ~~of Indiana~~; and
- (2) Vincennes University with respect to two **(2)** year degree programs.

(b) A student who enters a state educational institution to which this section applies to obtain a two **(2)** year degree is not required to have completed either:

- (1) the Core 40 curriculum established under IC 20-30-10; or
  - (2) a curriculum that is equivalent to the Core 40 curriculum;
- to be admitted to the state educational institution.

[20-12-17.5-4] Sec. 4. The commission for higher education ~~created under IC 20-12-0.5-2~~ shall encourage accredited private institutions of higher education to adopt general regular admissions requirements and exceptions to the regular admissions requirements that are similar to the requirements set forth in section 2 of this chapter.

[20-12-17.5-5] Sec. 5. (a) This section applies to a student who has not completed:

- (1) the Core 40 curriculum established under IC 20-30-10; or
- (2) a curriculum that is equivalent to the Core 40 curriculum.

(b) A student to whom this section applies may apply for acceptance as a transfer student at a state educational institution to which section 2 of this chapter applies if the student has successfully completed at least twelve (12) credit hours of college level courses with at least a "C" average or the equivalent in each course.



[20-12-17.5-6] Sec. 6. The requirement set forth in section 2(b) of this chapter that a student must ~~complete~~ **have completed** the Core 40 curriculum or a curriculum equivalent to the Core 40 curriculum for regular admission does not apply to a student who will be at least twenty-one (21) years of age during the semester for which the student seeks admission.

## **Chapter 5. Immunization Requirements at State Educational Institutions**

[20-12-71-10] Sec. ~~10~~ **1**. The department shall develop a form that can be used by ~~postsecondary institutions~~ **state educational institutions** to meet the requirements of this chapter concerning the use of a certificate of immunity.

[20-12-71-11] Sec. ~~11~~ **2**. (a) Except as provided in section ~~15~~ **7** of this chapter, a ~~postsecondary~~ **state educational** institution may not permit a student to matriculate in a residential campus of a ~~postsecondary~~ **state educational** institution unless the student provides the documentation required by section ~~12~~ **3** of this chapter for the following diseases:

- (1) Diphtheria.
- (2) Tetanus.
- (3) Measles.
- (4) Mumps.
- (5) Rubella.

(b) ~~Each~~ ~~postsecondary~~ **A state educational** institution shall notify ~~each~~ **a** student before the student's matriculation of the following requirements:

- (1) That the student must be immunized and that the immunization is required for matriculation at the ~~postsecondary~~ **state educational** institution unless the student provides the documentation required by section ~~12~~ **3** of this chapter.

(2) That the:

(A) student; or ~~the~~

(B) student's parent or guardian;

must comply with section ~~13.5~~ **5** of this chapter.

[20-12-71-12] Sec. ~~12~~ **3**. (a) Before matriculating in a residential campus of a ~~postsecondary~~ **state educational** institution, ~~each~~ **a** student shall provide the ~~postsecondary~~ **state educational** institution with one (1) of the following documents:

- (1) A certificate of immunity.
- (2) Documentation of exemption as described in sections ~~13~~ **4** and ~~14~~ **6** of this chapter.

(b) Before matriculating in a residential campus of a ~~postsecondary~~ **state educational** institution, a student ~~that who~~ is not a citizen or resident of the United States shall provide the ~~postsecondary~~ **state educational** institution with:

- (1) medical documentation that the student has been tested for



tuberculosis in the United States;

(2) the date on which the tuberculosis test was taken; and

(3) the results of the tuberculosis test.

(c) If a student fails to comply with subsection (a) or ~~subsection (b)~~ by the beginning of the student's second academic term, the ~~postsecondary state educational~~ institution shall prohibit the student from matriculating in the **residential** campus of the ~~postsecondary state educational~~ institution ~~where applicable~~, until the requirements are met.

[20-12-71-13] Sec. ~~13~~ **4**. An exemption relieving ~~the individual a student~~ from the requirements of section ~~12 3~~ of this chapter may be accepted by the ~~postsecondary state educational~~ institution as part of the documentation of exemption for the following reasons:

(1) If a health care provider makes a written statement indicating the nature and probable duration of a medical condition or circumstances that contraindicate an immunization, identifying the specific vaccine that could be detrimental to the ~~individual's~~ **student's** health.

(2) If pregnancy or suspected pregnancy is certified in a written statement from a health care provider.

(3) If ~~the a~~ health care provider provides written documentation that the student is in the course of completing an approved schedule of all necessary doses of the vaccines required for the diseases listed in section ~~11 2~~ of this chapter.

If the student's medical condition or circumstances subsequently permit immunization, the exemptions granted by this section terminate and the student ~~is required to shall~~ obtain the immunizations from which the student has been exempted.

[20-12-71-13.5] Sec. ~~13.5~~ **5**. (a) A ~~postsecondary state educational~~ institution in which an individual intends to enroll shall provide detailed information on the risks associated with meningococcal disease and the availability and effectiveness of vaccination to:

(1) the individual, if the individual is at least eighteen (18) years of age; or

(2) the individual's parent or guardian, if the individual is less than eighteen (18) years of age.

(b) A ~~postsecondary state educational~~ institution described in subsection (a) must receive a certificate of immunity:

(1) that is signed by:

(A) the individual, if the individual is at least eighteen (18) years of age; or

(B) the individual's parent or guardian, if the individual is less than eighteen (18) years of age; and

(2) that states that the information provided under subsection (a) has been reviewed by:





(A) the individual, if the individual is at least eighteen (18) years of age; or

(B) the individual's parent or guardian, if the individual is less than eighteen (18) years of age.

[20-12-71-14] Sec. ~~14~~ 6. (a) Except as otherwise provided, a student may not be required to undergo ~~any~~ testing, examination, immunization, or treatment required under this chapter when the student objects on religious grounds.

(b) A religious objection does not exempt a student from ~~any~~ testing, examination, immunization, or treatment required under this chapter unless the **request for an exemption** is:

(1) made in writing;

(2) signed by the student; and

(3) delivered to the individual who might order a test, an examination, an immunization, or a treatment absent the religious objection.

[20-12-71-15] Sec. ~~15~~ 7. (a) Upon the commencement of a student's first academic term at a **postsecondary state educational** institution and not later than the commencement of the student's second academic term, the **postsecondary state educational** institution shall require the student to comply with the requirements of section ~~12~~ 3 of this chapter. If the student fails to comply with the requirements of section ~~12~~ 3 of this chapter by the commencement of the student's first academic term, the **postsecondary state educational** institution shall do the following:

(1) Notify the student of the requirement that the student must be immunized and that the immunizations may be administered by a health care provider.

(2) Notify the student that the immunization is required for the student's continued:

(A) enrollment in;

(B) attendance at; or

(C) residence on;

the campus of the **postsecondary state educational** institution unless the student provides the documentation required by section ~~12~~ 3 of this chapter.

(b) If ~~the a~~ student fails to comply with ~~the requirements of~~ section ~~12~~ 3 of this chapter by the beginning of the student's second academic term, the postsecondary institution shall prohibit the student from matriculating in the postsecondary institution's **residential** campus ~~where applicable~~, until the requirements are met.

[20-12-71-16] Sec. ~~16~~ 8. The department may commence an action against a **postsecondary state educational** institution under IC 4-21.5-3-6 or IC 4-21.5-4 for the issuance of an order of compliance for failure to enforce this chapter.

[20-12-71-17] Sec. ~~17~~ 9. (a) The designated recordkeeping office shall maintain records obtained under section ~~15~~ 7 of this chapter



containing the required elements of the immunization status of ~~each an~~ enrolled student. The information required on the ~~certificates~~ **certificate** of immunity and the documentation of exemption, whichever applies, constitutes the required elements of ~~each an~~ enrolled student's immunization status. The information on the ~~certificates~~ **certificate** of immunity and the documentation of exemption, whichever applies:

(1) is sufficient for accurate compliance with section ~~19~~ **11** of this chapter; and

(2) must be accepted by each ~~postsecondary~~ **state educational** institution for purposes of this chapter.

(b) The department and the local health department shall, for good cause shown that there exists a substantial threat to the:

(1) health and safety of a student; or ~~the~~

(2) community of ~~the an~~ educational institution;

be able to validate immunization reports by onsite reviews or examinations of nonidentifying immunization record data. This section does not independently authorize the department, a local department of health, or an agent of the state or local department of health to have access to identifying medical or academic record data of individual students attending nonaccredited private educational institutions.

(c) The records referred to in subsection (a) are sufficient to enable the ~~postsecondary~~ **state educational** institution to generate a listing of the students who have filed documentation of exemption forms. The ~~postsecondary~~ **state educational** institution shall develop sufficient plans for excluding these students from the **state educational** institution for ~~their~~ **the** protection of ~~these students~~ if an outbreak of ~~any of the a~~ vaccine preventable ~~diseases~~ **disease** listed in section ~~11~~ **2** of this chapter occurs at or near the campus of the ~~postsecondary~~ **state educational** institution.

[20-12-71-18 ] Sec. ~~18~~ **10**. A ~~postsecondary~~ **state educational** institution may furnish, not later than twenty (20) days after a student transfer, a copy of a student's immunization record to the ~~postsecondary~~ **state educational** institution to which the student transfers and enrolls. The ~~postsecondary~~ **state educational** institution to which the student transfers and enrolls may request a copy of the student's immunization record from ~~the institution from which the student graduated or another postsecondary~~ **any state educational** institution that the student attended.

[20-12-71-19] Sec. ~~19~~ **11**. ~~Each postsecondary~~ **A state educational** institution shall submit a summary report to the department and the local health department having jurisdiction by March 15 of each year. The annual summary report:

(1) must be signed by an official of the designated recordkeeping office certifying that the information included in the summary report is accurate; and



(2) must include the following:

(A) A statement of the number of students with certificates of immunity, categorized by disease.

(B) A statement of the number of students with appropriate documentation of exemption, categorized by disease.

[20-12-71-20(b)] ~~(b)~~ **Sec. 12.** ~~Nothing in This chapter shall prohibit~~  
**does not prohibit** a private institution ~~college, or university~~ from voluntarily complying with this chapter.

[20-12-71-21] ~~Sec. 21.~~ **Sec. 13.** The department shall adopt rules under IC 4-22-2 necessary to implement this chapter. However, the department ~~is not authorized to~~ **may not** adopt rules to expand or modify the list of communicable diseases in section ~~11~~ **2** of this chapter.

SECTION 52. IC 21-41 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]:

**ARTICLE 41. STATE EDUCATIONAL INSTITUTIONS: CURRICULA; COURSES OF STUDY; PROGRAMS**

**Chapter 1. General Provisions; Definitions**

[New] **Sec 1.** The definitions in this chapter apply throughout this article.

[New] **Sec. 2. "Board of trustees":**

(1) for purposes of IC 21-41-3, refers to the board of trustees of Ball State University; and

(2) for purposes of IC 21-41-4, refers to the board of trustees of Indiana University.

**Chapter 2. General Powers**

[20-12-1-2(a)(7)] ~~(7)~~ **Sec. 1.** ~~to~~ (a) This section applies to the board of trustees of the following state educational institutions:

(1) Ball State University.

(2) Indiana University.

(3) Indiana State University.

(4) Purdue University.

(5) University of Southern Indiana.

(b) The board of trustees of a state educational institution may prescribe the curricula and courses of study offered by the **state educational** institution and define the standards of proficiency and satisfaction within the curricula and courses established by the **state educational** institution.

[20-12-0.5-8(7) (part)] **Sec. 2.** After March 29, 1971, ~~no~~ a state educational institution ~~shall~~ **may not**:

(1) establish any new branch, regional campus, or extension center; ~~or any~~

(2) **establish any** new or additional academic college or school; or

(3) offer any:



- (A) new associate, baccalaureate, or graduate degree; or  
 (B) additional program of two (2) semesters or an  
 equivalent duration leading to a certificate as defined in this  
 subdivision or other indication of accomplishment;

without the approval of the commission for higher education or  
 without specific authorization by the general assembly.

[20-12-0.5-8(7) (part)] **Sec. 3.** Any state educational institution may  
 enter into contractual agreements with governmental units or with  
 business and industry for specific programs to be wholly supported by  
 the governmental unit or business and industry without the approval of  
 the commission for higher education.

**Chapter 3. Ball State University; College of Architecture**

[New] **Sec. 1.** This chapter applies only to Ball State University.

[20-12-57.5-11(f)] ~~(f)~~ **Sec. 2.** The board of trustees of Ball State  
 University may grant degrees and issue diplomas or certificates.

[20-12-59-1 (part)] ~~Sec. 1.~~ **3. Ball State University** The board of  
 trustees is hereby empowered to: may:

- (1) erect;
- (2) construct;
- (3) equip;
- (4) furnish;
- (5) operate; and
- (6) control;

as a division of Ball State University, a college of architecture and  
 planning to be known as the Ball State college of architecture and  
 planning.

[20-12-59-1 (part)] **Sec. 4.** The board of trustees may acquire by:

- (1) purchase;
- (2) lease;
- (3) condemnation;
- (4) gift; or otherwise such
- (5) other means;

property, real and personal, as that, in its the judgment of the board  
 of trustees, is necessary to establish such a college the Ball State  
 University college of architecture and planning. and The board of  
 trustees may use any property that Ball State University acquired  
 before July 1, 1965, by Ball State University for such purposes: the  
 Ball State University college of architecture and planning. Title to  
 all property so acquired by Ball State the university for the Ball State  
 University college of architecture and planning, including the  
 improvements thereon, to property, shall be taken and held by and in  
 the name of said the board of trustees in its corporate capacity for the  
 purposes of this chapter.

[20-12-59-2] ~~Sec. 2.~~ **5.** The construction, alteration, or repair of any  
 facility for the Ball State University college of architecture and  
 planning shall be contracted for in accordance with and pursuant to



~~IC 20-12-3. IC 21-37-3.~~

**Chapter 4. Indiana University; Dental College**

[New] **Sec. 1. This chapter applies only to Indiana University.**

~~[20-12-23-2 (c) (part)] Sec. 2. to The board of trustees of Indiana University shall prescribe the course of study and discipline.~~

~~[20-12-23-7 (part)] Third: To Sec. 3. The faculty of Indiana University may confer, with the consent of the board of trustees, such the literary degrees as that are usually conferred in other universities, and, in testimony thereof, to the degrees, give suitable diplomas, under the seal of the Indiana University and signature of the faculty.~~

~~[20-12-23-8] Sec. 8: 4. No religious qualification shall be required for any A student, trustee, president, professor or other officer of such Indiana University or is not required to hold any religious qualification as a condition for admission to any privilege in the same. Indiana University.~~

~~[20-12-23-9] Sec. 9: 5. No sectarian tenets shall be inculcated by any A professor at such Indiana University may not teach sectarian tenets.~~

~~[20-12-32-1] Sec. 1: The board of trustees of Indiana University is hereby authorized and directed to purchase and accept for and on behalf of the state of Indiana, all the furniture, fixtures, school equipment, now belonging to the Indiana Dental College, Indianapolis, Indiana, a corporation formed and existing under the laws of the state of Indiana; Provided, however, That such furniture, fixtures and school equipment shall be free and clear of all liens and encumbrances and that title to such furniture, fixtures and school equipment, and the bill of sale transferring the same be approved by the attorney general of the state of Indiana as being good and sufficient:~~

~~[20-12-32-2] Sec. 2: The board of trustees of Indiana University shall continue to charge each student not less than the fees now charged by the Indiana Dental College to wit: tuition fees, two hundred twenty-five dollars (\$225) per year; matriculation fee, five dollars (\$5.00); diploma fee, fifteen dollars (\$15.00). Provided, however, That all fees and unexpended balances shall belong to said board of trustees of Indiana University and be used by said board for specific purposes connected with the dental college:~~

~~[20-12-32-3 (part)] Sec. 3: 6. The board of trustees of Indiana University is hereby authorized and directed to shall operate and maintain the a dental college as a department of Indiana University. to~~

~~[20-12-32-3 (part)] Sec. 7. The dental college shall be known as the Indiana University School of Dentistry.~~

**Chapter 5. Ivy Tech Community College; Educational Programs**

[New] **Sec. 1. This chapter applies to Ivy Tech Community College.**

[20-12-61-2(a) (part)] **Sec. 2. Ivy Tech Community College shall**



be devoted primarily to providing the following:

(1) **The** educational opportunities for the citizens of Indiana as described in ~~section 4~~ of this chapter.

(2) **The** assessment and training services described in ~~subsection (b)~~ **this chapter**.

[20-12-61-1] Sec. ~~4~~ **3**. It ~~shall be~~ **is** the primary purpose of ~~this chapter~~ **Ivy Tech Community College** to provide educational opportunities and appropriate workforce development, assessment, and training services to:

(1) employees of employers whose productivity and competitiveness will be enhanced by targeted employee education and training courses and programs delivered in the employer's workplace;

(2) students who require additional education before enrolling in college level courses at either a two (2) year or a four (4) year institution;

(3) ~~those individuals~~ who have graduated from high school and are more interested in continuing their education in a general, liberal arts, occupational, or technical program at a two (2) year, nonresidential college;

(4) ~~those individuals~~ who have graduated from high school and want to earn credits that will transfer to a four (4) year college;

(5) ~~those~~ students who do not complete work at a four (4) year college or who are referred by a four (4) year college to Ivy Tech **Community College**;

(6) ~~those~~ students who complete their work at a four (4) year college but would like to supplement that education to improve existing skills or acquire new skills; and

(7) adult workers ~~needing who need and desiring~~ **desire** retraining or additional training of an occupational or technical nature for the workplace.

[20-12-61-2(b)] ~~(b)~~ **Sec. 4**. Ivy Tech Community College ~~of Indiana~~ shall help promote education and economic development by providing assessment and training services for the citizens of Indiana that include ~~but are not limited to~~; the following:

(1) Determining the skills needed for specific jobs.

(2) Determining whether particular individuals have the skills needed to:

(A) do specific jobs; or

(B) qualify for specific skill certifications.

(3) Developing and delivering training programs designed to help individuals:

(A) acquire the skills needed to do specific jobs;

(B) obtain specific skill certifications; or

(C) improve the quality of the individual's work product.

[20-12-61-2(c)] ~~(c)~~ **Sec. 5**. Ivy Tech Community College ~~of Indiana~~



shall meet the needs of state and local officials, employers, and labor organizations by designing and delivering educational and training courses and programs. The primary objective of this effort ~~shall~~ **must** be to provide economic and workforce development support to the state's employers and communities by meeting their needs for better educated and trained, more productive, and more competitive employees and citizens.

[20-12-75-4 (part)] ~~Sec. 4.~~ **Sec. 6.** A statewide community college system is established. The **community college** system consists of:

(1) the campuses and other instructional sites of Ivy Tech Community College; ~~of Indiana~~ and

(2) the various courses, programs, and services provided by ~~the~~ **Ivy Tech Community College** throughout Indiana.

[20-12-75-4 (part)] **Sec. 7.** As Indiana's community college system, Ivy Tech Community College ~~of Indiana~~ shall:

(1) offer a community college curriculum and training services as described in ~~IC 20-12-61~~ **IC 21-22 and this chapter** at all of its major instructional sites; and

(2) provide an opportunity for students to earn associate degrees that are accepted by four (4) year colleges and universities.

[20-12-61-13(a)(3)] ~~(3)~~ **Sec. 8. Subject to IC 21-22-6-10, the board of trustees of Ivy Tech Community College may develop and adopt the appropriate programs to be offered.**

[20-12-61-13(a)(7)] ~~(7)~~ **Sec. 9. The board of trustees of Ivy Tech Community College may grant appropriate certificates of achievement and associate degrees, including associate of applied science, associate of science, and associate of arts degrees, to students who complete prescribed and authorized courses or series of courses.**

[20-12-61-9 (part)] ~~Sec. 9.~~ **Sec. 10.** The ~~state board~~ **board of trustees of Ivy Tech Community College may do** the following: ~~powers and duties:~~

(1) ~~Initiating, promoting, inaugurating,~~ **Initiate, promote, inaugurate,** and ~~developing~~ **develop** occupational and technical education programs in a manner consistent with sections ~~1~~ **2** through ~~3~~ **4** of this chapter.

(2) ~~Operating,~~ **Operate** either through committee or through subordinate corporate entities, statewide general, liberal arts, occupational, and technical education programs, ~~which that~~ in its opinion should be established due to:

(A) the specialized nature of the programs;

(B), the limited number of students involved; or

(C) other unique features requiring special attention.

(3) ~~Contracting~~ **Contract** with appropriate education institutions, including local public schools or other agencies, to carry out specific programs ~~which that~~ can best and most economically be provided through this approach.

## **Chapter 6. University of Southern Indiana**



[New] **Sec. 1. This chapter applies to the University of Southern Indiana.**

20-12-64-5(5) ~~(5)~~ **Sec. 2. The University of Southern Indiana may** grant degrees and issue diplomas or certificates signifying that a course of postsecondary study has been completed or a degree has been conferred.

**Chapter 7. Vincennes University**

[New] **Sec. 1. This chapter applies to Vincennes University.**

[23-13-18-8(3)] ~~(3)~~ **Sec. 2. The board of trustees of Vincennes University shall** establish plans of education. ~~which~~ **The plans of education** shall embrace each and every of the languages, sciences, and branches of learning directed to be taught in ~~the said Vincennes~~ University.

[23-13-18-7(b)] ~~(b)~~ **Sec. 3.** The president and professors of **Vincennes University** shall instruct and give lectures to the students of ~~the said Vincennes~~ University, according to ~~such~~ the plan of education ~~as that the said board of trustees of Vincennes University~~ may approve and direct.

[23-13-18-7(c)(part)] **Sec. 4. The faculty of Vincennes University may:**

~~(2) for granting and confirming by; and (1) with the consent of the board of trustees, such grant to students of Vincennes University the degrees in the liberal arts and sciences to such students of the said university who that:~~

**(A) the professors of Vincennes University think**, by their proficiency in learning, ~~the said professors shall think they are~~ entitled; ~~to them; as~~

**(B)** are usually granted and conferred in other universities in the United States; and

~~(3) to (2) grant to such graduates diplomas, under the common seal of the said Vincennes University, to authenticate, and perpetuate the memory of such the graduations.~~

**Chapter 8. American Sign Language**

[20-12-72-1] ~~Sec. 1. As used in this chapter, "state educational institution" has the meaning set forth in IC 20-12-0.5-1.~~

[20-12-72-2] ~~Sec. 2.~~ **1.** A state educational institution may offer classes in American Sign Language as:

**(1)** a foreign language; or ~~as~~

**(2)** part of another discipline.

[20-12-72-3] ~~Sec. 3.~~ **2.** If a state educational institution offers classes in American Sign Language under this chapter, the **state educational** institution may award credit for the courses to satisfy a requirement for the study of a foreign language or another discipline.

SECTION 53. IC 21-42 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]:





**ARTICLE 42. STATE EDUCATIONAL INSTITUTIONS:  
TRANSFER OF ACADEMIC CREDITS**

**Chapter 1. General Provisions; Definitions**

[New] Sec. 1. The definitions in this chapter apply throughout this article.

[New] Sec. 2. "Articulation degree programs", for purposes of IC 21-42-5, refers to the articulation degree programs established under IC 21-42-5-2.

[New] Sec. 3. "Core transfer library" refers to the core transfer library established under IC 21-42-5-1.

[20-12-18-1 (part)] Sec. ~~4~~ 4. "School for biblical and religious instruction" means a school that teaches for biblical and religious education conducted and maintained by: ~~some~~

(1) an association;

(2) a college;

(3) a seminary;

(4) a foundation; or

(5) a school organized for religious instruction;

and incorporated under the laws of ~~the state~~ Indiana.

[New] Sec. 5. "Statewide transfer of credit agreements" refers to an agreement developed under IC 21-42-6 for courses that are most frequently taken by undergraduates.

**Chapter 2. Elimination of Home Campus Requirement; Advanced Standing for Vocational Courses**

[20-12-17-1] Sec. 1. ~~Effective with the school year beginning in September, 1969, none of the state-supported universities~~ A state educational institution having a regional ~~campuses~~ campus shall ~~may~~ not have a rule, regulation, or policy ~~by the terms of which stating that students~~ a student who ~~are~~ is pursuing their education at such ~~campuses~~ a regional campus of the state educational institution shall be required to ~~must~~ obtain any hours of credit in residence on the home campus of ~~such the state university~~ educational institution in order to obtain a degree, ~~where if~~ courses to obtain ~~a the~~ degree are available on the regional campus.

[20-12-17-4(a)] Sec. ~~4~~ (a) 2. A state educational institution ~~(as defined in IC 20-12-0.5-1)~~ may award advanced standing to a student who has successfully completed vocational education courses at another postsecondary institution or at a secondary school. However, the state educational institution may require the student to successfully complete:

(1) equivalency testing;

(2) testing of ~~competencies~~ competency; or

(3) ~~an additional courses~~ course;

in the subject area before awarding credit for those vocational education courses.

[20-12-17-4(b)] (b) Sec. 3. A state educational institution and:



(1) a school corporation; or  
 (2) another postsecondary institution;  
 may enter into a contract providing the terms and conditions under which the state educational institution will award advanced standing to ~~students a student~~ who ~~have~~ **has** successfully completed vocational education courses offered by the school corporation or other postsecondary institution.

### **Chapter 3. Transfer of Credits Among State Educational Institutions**

[20-12-17-2] Sec. ~~2~~. ~~1. A~~ **A** state supported universities educational institution shall:

- (1) accept the transfer credit of ~~all an~~ appropriate ~~courses~~ **course** successfully completed by ~~any a~~ student at ~~any other~~ **another** state ~~supported postsecondary~~ educational institution having the same level of accreditation; or
- (2) allow the student to receive equal credit by successfully completing equivalency testing in the subject area.

[20-12-17.1-1] Sec. ~~1~~. **2.** The state educational institutions **jointly** shall ~~jointly~~ identify at least thirty (30) semester credit hours of comparable general education courses that are eligible to be earned by ~~students a student~~ to fulfill graduation requirements at each state educational institution.

[20-12-17.1-2] Sec. ~~2~~. **3.** Credits earned in ~~any of these a~~ **course** identified ~~courses~~ **under section 2 of this chapter** shall ~~must~~ be transferable among all state educational institutions.

[20-12-17.1-3] Sec. ~~3~~. **4.** Based upon the demand for enrollment in ~~the a~~ **course** identified ~~courses~~ **under section 2 of this chapter** and the resources available to the state educational institutions, ~~the an~~ identified ~~courses~~ **course** shall be offered through:

- (1) onsite instruction;
- (2) telecommunication; or
- (3) a combination of methods described in subdivisions (1) and (2);

at on-campus or off-campus sites.

### **Chapter 4. Credits from School for Biblical or Religious Instruction**

[20-12-18-1 (part)] Sec. **1.** ~~Any university, normal school, teachers' college, technological school, or other educational institution of higher education supported by taxes under the auspices of the state of Indiana;~~ **A state educational institution** may permit ~~any students a student~~ enrolled in ~~such the~~ state **educational** institution to elect part of the work required for graduation ~~in such from the~~ state **school educational institution** in ~~any a~~ school for biblical and religious instruction. ~~conducted and maintained by some association, college, seminary, foundation, or school organized for religious instruction, and incorporated under the laws of the state;~~



[20-12-18-1 (part)] **Sec. 2. A and which school for biblical and religious instruction shall may not: be conducted or maintained**

**(1) be supported by the use of any public state funds; raised by taxation and which school shall not be conducted**

**(2) conduct classes in any building or on any property owned by the state.**

[20-12-18-1 (part)] **Sec. 3. A teacher at a school for biblical and religious instruction must have the provided such instruction shall be given by teachers whose ability and educational preparation for teaching the subjects offered shall be the equal to the ability and education requirements of that required of the teachers in the state school wherein educational institution in which credit is to be given. and provided**

[20-12-18-1 (part)] **Sec. 4.** The hours of recitation, content of instruction, requirements of attendance, and standards of work by the students electing courses in ~~the~~ a school of biblical and religious instruction **must** be the same as in the state school wherein educational institution in which credit is granted.

#### **Chapter 5. Statewide Core Transfer Library; Degree Program Articulation Agreement**

[20-12-0.5-8(18)] ~~(18)~~ **Sec. 1. To The commission for higher education may** establish, with the assistance of the committee on statewide transfer and articulation, a statewide core transfer library of at least seventy (70) courses that are transferable on all campuses of the state educational institutions in accordance with the principles in section ~~4~~ 4 of this chapter.

[20-12-0.5-8(19)] ~~(19)~~ **Sec. 2. To The commission for higher education may** establish, with the assistance of the committee on statewide transfer and articulation, articulation agreements for at least twelve (12) degree programs:

~~(A)~~ **(1)** for which articulation agreements apply to any campus in the Ivy Tech State Community College system and to Vincennes University; and

~~(B)~~ **(2)** that draw from liberal arts and the technical, professional, and occupational fields.

[20-12-0.5-13(a)] ~~Sec. 3.~~ **Sec. 3. (a)** The commission for higher education shall exercise its powers and duties under section 8 of this chapter in a manner to facilitate the use of:

**(1)** the core transfer library established under section 8(18) of this chapter at state educational institutions; and

**(2)** at least twelve (12) articulation degree programs established under section 8(19) of this chapter at Ivy Tech Community College of Indiana and Vincennes University.

[20-12-0.5-13(b)] ~~(b)~~ **Sec. 4.** The core transfer library developed under section 8(18) of this chapter shall be developed in accordance with the following principles:



(1) Each course in the core transfer library must transfer in and apply toward meeting degree requirements in the same way as the receiving state educational institution's equivalent course.

(2) Courses in the core transfer library must draw primarily from the liberal arts but must include introductory or foundational courses in technical, professional, and occupational fields.

(3) At least seventy (70) courses must be identified for inclusion in the core transfer library. The identified courses must emphasize the courses most frequently taken by undergraduates.

(4) With respect to core transfer library courses being transferred from a state educational institution to Indiana University or Purdue University, Indiana University and Purdue University must identify transfer equivalents so that a course accepted by one (1) regional campus ~~will be~~ **is** accepted by all other regional campuses that offer the same transfer equivalent course.

(5) Within the Indiana University system and Purdue University system, equivalent courses, including courses with the same course number and title, must count in the same way at all campuses within the system where the course is offered.

[20-12-0.5-13(c) (part)] ~~(c)~~ **Sec. 5.** The commission for higher education shall adopt rules under IC 4-22-2 and prescribe procedures to facilitate the use of the core transfer library, ~~established under section 8(18) of this chapter,~~ including designating courses in the course transfer library in the materials that colleges and universities use to communicate widely with students, such as online catalogs and course schedules.

[20-12-0.5-13(c) (part)] ~~(c)~~ **Sec. 6.** The commission for higher education shall adopt rules under IC 4-22-2 and prescribe procedures to facilitate the use of ~~the core transfer library established under section 8(18) of this chapter,~~ including designating courses in the course transfer library in the materials that colleges and universities use to communicate widely with students, ~~such as online catalogs and course schedules,~~ and at least twelve ~~(12)~~ the articulation degree programs ~~established under section 8(19) of this chapter at Ivy Tech Community College and Vincennes University.~~

#### **Chapter 6. Transfer of Credit Agreements; Articulation Agreements**

[20-12-0.5-8(15)] ~~(15)~~ **Sec. 1.** ~~To~~ The commission for higher education may develop through the committee on statewide transfer and articulation statewide transfer of credit agreements for courses that are most frequently taken by undergraduates.

[20-12-0.5-8(16)] ~~(16)~~ **Sec. 2.** ~~To~~ The commission for higher education may develop through the committee on statewide transfer and articulation statewide transfer of credit agreements under which associate of arts and associate of science programs articulate fully with related baccalaureate degree programs.



1 [20-12-0.5-8(17)] ~~(17)~~ **Sec. 3. To** **The commission for higher**  
 2 **education may** publicize by all appropriate means, including an  
 3 Internet web site, a master list of ~~course~~ **statewide** transfer of credit  
 4 agreements and program articulation agreements.

5 SECTION 54. IC 21-43 IS ADDED TO THE INDIANA CODE AS  
 6 A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1,  
 7 2007]:

8 **ARTICLE 43. DUAL ENROLLMENT; COLLEGE CREDIT**  
 9 **EARNED BY HIGH SCHOOL STUDENTS; TECHNICAL**  
 10 **CERTIFICATES OF ACHIEVEMENT**

11 **Chapter 1. General Provisions; Definitions**

12 [New] **Sec. 1. The definitions in this chapter apply throughout**  
 13 **this article.**

14 [New] **Sec. 2. "Core transfer library" has the meaning set forth**  
 15 **in IC 21-42-1-3.**

16 [20-30-11-1] ~~Sec. 1.~~ **Sec. 3. As used in this chapter, "Eligible institution",**  
 17 **for purposes of IC 21-43-4, means an accredited public or private:**

18 (1) college; or

19 (2) university;

20 located in Indiana that grants a baccalaureate or ~~an~~ associate degree.

21 [New] **Sec. 4. As used in this chapter, "high school diploma":**

22 (1) **for purposes of IC 21-43-6, refers to a high school diploma**  
 23 **earned under IC 20-20-6; and**

24 (2) **for purposes of IC 21-43-7, refers to a high school diploma**  
 25 **earned under IC 21-43-7.**

26 [New; 20-30-11.5-1] ~~Sec. 1.~~ **Sec. 5. As used in this chapter,**  
 27 **"Postsecondary credit":**

28 (1) **for purposes of IC 21-43-2, means credit toward:**

29 (A) an associate degree;

30 (B) a baccalaureate degree; or

31 (C) a vocational certification;

32 **granted by a state educational institution upon the successful**  
 33 **completion of a course taken under a program established**  
 34 **under IC 21-43-2; and**

35 (2) **for purposes of IC 21-43-5, means credit toward:**

36 (A) an associate degree;

37 (B) a baccalaureate degree; or

38 (C) a vocational certification;

39 **granted by a state educational institution (as defined under**  
 40 **~~IC 20-12-0.5-1~~) upon the successful completion of a course taken**  
 41 **under the a program established under IC 21-43-5.**

42 [20-12-1-10(c); 20-30-11-2; 20-30-11.5-2; New] ~~(c)~~ **Sec. 6. As used**  
 43 **in this section, "Technical education "Program": means**

44 (1) **for purposes of IC 21-43-3, refers to a postsecondary level**  
 45 **technical education program:**

46 ~~(1)~~ (A) offered by a state educational institution;



(2) (B) approved by the commission for higher education;  
~~under IC 20-12-0.5-8; and~~

(3) (C) of less than a baccalaureate degree;

(2) ~~Sec. 2: As used in this chapter, "program"~~ **for purposes of IC 21-43-4, refers to the postsecondary enrollment program established under this chapter. under IC 21-43-4;**

(3) ~~Sec. 2: As used in this chapter, "program"~~ **for purposes of IC 21-43-5, refers to the double up for college program established under this chapter. under IC 21-43-5;**

(4) **for purposes of IC 21-43-6, refers to the high school fast track to college program offered to qualified individuals under IC 21-43-6; and**

(5) **for purposes of IC 21-43-7, refers to the high school fast track to college program offered to qualified individuals under IC 21-43-7.**

[20-12-1-10(a)] ~~Sec. 10: (a) 7. As used in this section, "Requisite technical field proficiency"~~ means the satisfaction by a student of the standards approved by the workforce proficiency panel within the department of workforce development under ~~subsection (d)~~ **IC 21-43-3-2 to receive a postsecondary level certificate of achievement in a technical field.**

[20-12-1-10(b)] ~~(b) Sec. 8. As used in this section, "Technical education student"~~ refers to a student who is enrolled in a state educational institution in a technical education program.

[20-30-11-3; 20-30-11.5-3] ~~Sec. 3: 9. As used in this chapter, "Secondary credit":~~

(1) **for purposes of IC 21-43-4, means credit toward graduation requirements granted by a student's school corporation upon the successful completion of a course taken under the a program established under IC 21-43-4; and**

(2) ~~Sec. 3: As used in this chapter, "secondary credit" for purposes of IC 21-43-5, means credit toward high school graduation requirements granted by a student's school corporation upon the successful completion of a course taken under the a program established under IC 21-43-5.~~

[New] **Sec. 10. "Workforce proficiency panel" refers to the workforce proficiency panel established by IC 22-4.1-16-2.**

## **Chapter 2. Postsecondary Credit for Secondary School Certificate of Achievement**

[20-12-1-9(a)] ~~Sec. 9: 1. (a)~~ A state educational institution may ~~elect~~ to permit a student who:

(1) receives a secondary **school** level certificate of achievement in a particular subject or skill area; and

(2) satisfies the standards for receipt of academic credit as determined by ~~a the~~ state educational institution;

to receive postsecondary ~~level academic~~ credit at the state educational



institution for the secondary **school** level certificate of achievement.

[20-12-1-9(b)] ~~(b)~~ **Sec. 2.** Each state educational institution shall prepare and make available to students and high school guidance counselors a report indicating the:

(1) extent to which; and

(2) conditions under which;

postsecondary ~~level academic~~ credit may be granted under this ~~section~~ **chapter.**

**Chapter 3. Postsecondary Level Certificate of Achievement; Technical Education Programs**

[20-12-1-10(g)] ~~(g)~~ **Sec. 1.** This ~~section~~ **chapter** may not be construed to require a state educational institution to offer opportunities for postsecondary level certificates of achievement for technical **education** programs that the state educational institution does not offer.

[20-12-1-10(d)] ~~(d)~~ **Sec. 2.** The workforce proficiency panel ~~within the department of workforce development~~ shall adopt for:

(1) statewide implementation; ~~by the 1994-95 school year~~; and

(2) each ~~postsecondary level~~ technical education program;

the standards for each certificate of achievement and the instrument or assessment by which a student is given the opportunity to demonstrate the requisite **technical field** proficiency.

[20-12-1-10(e)] ~~(e)~~ **Sec. 3.** The:

(1) workforce proficiency panel; ~~within the department of workforce development~~;

(2) ~~the~~ state educational institutions;

(3) ~~the~~ Indiana state board of education; and

(4) ~~the~~ commission for higher education;

shall cooperate with each other to implement this ~~section~~ **chapter.**

[20-12-1-10(f)] ~~(f)~~ **Sec. 4.** The postsecondary level certificate of achievement assessment instruments must provide each student with the opportunity to demonstrate the requisite **technical field** proficiency in the subject or skill area in an applied manner.

[20-12-1-10(h)] ~~(h)~~ **Sec. 5.** The Indiana commission on vocational and technical education ~~within the department of workforce development~~ shall do the following:

(1) Provide opportunities for adult learners to achieve a postsecondary level certificate of achievement.

(2) Adopt rules under IC 4-22-2 to implement this ~~section~~ **chapter** in accordance with the recommendations of the workforce proficiency panel concerning standards for the certificates of achievement.

**Chapter 4. Postsecondary Enrollment Program**

[New] **Sec. 1.** This chapter applies to a program at:

(1) a state educational institution; or

(2) any other eligible institution.

[20-30-11-19] ~~Sec. 19~~ **Sec. 2.** This chapter does not prohibit:



(1) a student from enrolling in or attending an education program when the student is not required to be in attendance at the student's school corporation;

(2) a school corporation from:

(A) providing a supplemental postsecondary education program to students; and

(B) permitting a student to attend an education program during the regular school day or regular school year; or

(3) an eligible institution from permitting a student of a school corporation to enroll in or attend a course offered or sponsored by the eligible institution.

[20-30-11-4(a)] Sec. ~~4~~ ~~(a)~~ **3**. The postsecondary enrollment program is established for secondary school students in grades 11 and 12.

[20-30-11-4(b)] Sec. ~~4~~ ~~(b)~~ **4**. A student may enroll in courses offered by an eligible institution under the program on a full-time or part-time basis during grade 11 or grade 12, or both.

[20-30-11-4(c)] Sec. ~~4~~ ~~(c)~~ **5**. If a school corporation has approved a course offered by an eligible institution for secondary credit, a student is entitled to credit toward graduation requirements for each course the student successfully completes at the eligible institution.

[20-30-11-5] Sec. ~~5~~ **6**. Before February 1 each year, each school corporation shall provide each student in grades 10 and 11 with information concerning the program.

[20-30-11-6] Sec. ~~6~~ **7**. ~~Each~~ **A** student who intends to enroll in an eligible institution under the program shall notify the principal of the school in which the student is enrolled.

[20-30-11-7] Sec. ~~7~~ **8**. A representative of the school corporation shall meet with each student who intends to participate in the program and discuss the following:

(1) The courses in which the student ~~is authorized to~~ **may** enroll.

(2) The postsecondary credit the student earns upon successful completion of a course.

(3) The consequences of ~~a~~ **the** student's failure to successfully complete a course.

(4) The student's schedule.

(5) The financial obligations of the student and the school under the program.

(6) The responsibilities of the student, the student's parent, and the school under the program.

(7) Other matters concerning the program.

[20-30-11-8] Sec. ~~8~~ **9**. The governing body of each school corporation shall:

(1) adopt policies to implement the program, based on guidelines established by the department **of education**; and

(2) work with eligible institutions to grant secondary credits to a





1 student who attends a postsecondary institution while the student  
2 is also attending secondary school.

3 [20-30-11-10(a)] Sec. 10. ~~(a)~~ A student may apply for enrollment to  
4 an eligible institution. The eligible institution shall accept or reject the  
5 student based on the standards ordinarily used to decide student  
6 enrollments. However, a student in the program may not be refused  
7 admission solely because the student has not graduated from a  
8 secondary school.

9 [20-30-11-10(b)] ~~(b)~~ **Sec. 11.** The eligible institution shall promptly  
10 inform the:

- 11 (1) student;
- 12 (2) student's principal; and
- 13 (3) department of education;

14 of the decision under ~~subsection (a)~~: **section 10 of this chapter.**

15 [20-30-11-10(c)] ~~(c)~~ **Sec. 12.** Upon demonstration of financial need,  
16 an eligible institution may grant financial assistance to a student  
17 accepted for admission to the eligible institution.

18 [20-30-11-10.5] Sec. ~~10.5~~ **13.** If a student enrolls in a course  
19 offered by an eligible institution under the program, the **eligible**  
20 institution and the student's school corporation shall enter into a  
21 contract for dual credit. The contract must establish the terms and  
22 conditions under which:

- 23 (1) the **eligible** institution will award credit for specified classes  
24 successfully completed by students in the school corporation; and
- 25 (2) the school corporation will award credit for specified classes  
26 successfully completed by students at the **eligible** institution.

27 [20-30-11-12] Sec. ~~12~~ **14.** A school corporation shall grant  
28 secondary credit for a course successfully completed by a student at an  
29 eligible institution if the school corporation approved the course for  
30 secondary credit. The student's school records must reflect that the  
31 secondary credits were earned at an eligible institution.

32 [20-30-11-13] Sec. ~~13~~ **15.** If a student enrolls in an eligible  
33 institution after graduation from secondary school, the eligible  
34 institution shall award postsecondary credit for a course successfully  
35 completed by the student at the eligible institution. If the student  
36 enrolls in another eligible institution, that eligible institution may grant  
37 credit for courses successfully completed by the student.

38 [20-30-11-14] Sec. ~~14~~ **16.** At the end of each school year, each  
39 school corporation shall submit to the department of education the  
40 following:

- 41 (1) A list of the students in the school corporation who are  
42 enrolled in the program.
- 43 (2) A list of the courses successfully completed by each student  
44 who is enrolled in the program.

45 [20-30-11-15(a)] Sec. ~~15~~ **17.** (a) ~~Each~~ A school corporation shall  
46 make and maintain, ~~records~~ for each student enrolled in the program,



**records** of the following:

- (1) The courses and credit hours in which the student enrolls.
- (2) The courses that the student successfully completes and fails to complete.
- (3) The secondary credit granted to the student.
- (4) Other information requested by the department **of education**.

(b) The department **of education** is entitled to have access to the records made and maintained under subsection (a).

[20-30-11-15.5] Sec. ~~15.5~~ **18.** (a) ~~Each~~ **An** eligible institution shall make and maintain, for each student enrolled in the program, records of the following:

- (1) The courses in which the student enrolls and the credit hours awarded for those courses.
- (2) The courses that the student successfully completes and the courses that the student fails to complete.
- (3) The postsecondary credit granted to the student.
- (4) Other information requested by the commission for higher education.

(b) The commission for higher education is entitled to have access to the records made and maintained under subsection (a).

[20-30-11-17] Sec. ~~17~~ **19.** (a) The department **of education**, in consultation with the commission for higher education, shall:

- (1) establish guidelines to carry out this chapter; and
- (2) evaluate the program annually and report to the state board **of education** concerning the program.

(b) The guidelines established under ~~subsection (a)(1)~~ **this section** must encourage participation by students:

- (1) at all achievement levels; and
- (2) in a variety of academic and vocational subjects.

[20-30-11-18] Sec. ~~18~~ **20.** The:

- (1) state board **of education**; and ~~the~~
- (2) commission for higher education;

shall adopt rules under IC 4-22-2 to carry out this chapter.

#### **Chapter 5. Double Up Program**

[New] Sec. **1. This chapter applies only to a program at a state educational institution.**

[20-30-11.5-4(a)] Sec. ~~4~~ ~~(a)~~ **2.** The double up for college program is established for secondary school students in grades 11 and 12. School corporations and state educational institutions may collaborate to offer:

- (1) early college;
- (2) dual credit; or
- (3) dual enrollment;

programs that meet the educational objectives of the school corporation and are offered by the state educational institutions.

[20-30-11.5-4(b)] ~~(b)~~ **Sec. 3.** A student may enroll in ~~courses a~~



**course** offered by a state educational institution under the program on a full-time or part-time basis during grade 11 or grade 12, or both.

[20-30-11.5-4(c)] ~~(c)~~ **Sec. 4. (a)** A state educational institution that participates in:

(1) an early college **program**;

(2) a dual credit **program**; or

(3) a dual enrollment program;

may, by agreement with a school corporation, **take any action described in subsection (b).**

**(b) The state educational institution may:**

(1) ensure that the content and rigor of ~~each a~~ **a** course offered is adequate to warrant providing credit to a student as if the student took the course as a student at the state educational institution;

(2) set the criteria for ~~the a~~ **a** faculty member, ~~an~~ **an** instructor, or other individual responsible for teaching ~~each a~~ **a** course with the:

(A) state educational institution responsible for hiring the personnel to instruct dual credit courses taught by the state educational institution; and

(B) school corporation responsible for hiring personnel to instruct dual credit courses taught by the high school; and

(3) determine, with the school corporation, the terms and conditions under which:

(A) ~~students a student~~ **a student** may be admitted to the program while attending high school;

(B) the state educational institution will award credit, if any, for ~~a specified courses~~ **a course** successfully completed by ~~students a student~~ **a student** through the school corporation; and

(C) the school corporation will award credit, if any, for ~~specified courses a specific course~~ **a specific course** successfully completed through the state educational institution.

[20-30-11.5-4(d)] ~~(d)~~ **Sec. 5.** A student is entitled to credit toward graduation requirements for ~~each a~~ **a** course the student successfully completes at the eligible institution.

[20-30-11.5-4(e)] ~~(e)~~ **Sec. 6. (a)** ~~Courses offered under the program that are~~ **The program may include a course that is** listed in the:

(1) statewide core transfer library courses that are transferable on all campuses of the state educational institutions in accordance with the principles in ~~IC 20-12-0.5-13~~; **IC 21-42-5-4**; or

(2) articulation agreements that apply to any campus in the Ivy Tech Community College of Indiana system and to Vincennes University and draw from liberal arts and the technical, professional, and occupational fields. ~~are among those eligible for the program.~~

**(b)** If a student passes a course through the program that is part of an articulation agreement between the state educational institution offering the course and other state educational institutions, the course



shall transfer under the terms and standards of the articulation agreement between the state educational institutions.

[20-30-11.5-4(f)] ~~(f)~~ **Sec. 7.** Based on the demand for enrollment in the identified courses and the resources available to the state educational institutions, the identified courses may be offered through:

- (1) onsite instruction;
- (2) telecommunication; or
- (3) a combination of methods described in subdivisions (1) and (2);

at on-campus or off-campus sites.

[20-30-11.5-5] ~~Sec. 5:~~ **8.** A school corporation may, by agreement with ~~an~~ **a state educational** institution, ~~of higher education,~~ offer counseling concerning ~~an~~ **an** early college, ~~a~~ **a** dual credit, or ~~a~~ **a** dual enrollment ~~courses~~ **course** that the school corporation considers appropriate, including:

- (1) notice of the ~~courses~~ **course** and schedule;
- (2) available post-secondary credit;
- (3) responsibilities of the student;
- (4) ~~any~~ tuition and other costs;
- (5) ~~the~~ consequences of the failure to complete a course; and
- (6) other matters concerning the program and opportunities presented by the program.

[20-30-11.5-6(a)] ~~Sec. 6:~~ ~~(a)~~ **9.** A student may apply for enrollment to a state educational institution. The state educational institution shall accept or reject the student based on the standards ordinarily used to decide student enrollments. However, a student in the program may not be refused admission solely because the student has not graduated from a secondary school.

[20-30-11.5-6(b)] ~~(b)~~ **Sec. 10.** A state educational institution may grant financial assistance to a student for courses taken under this program based on:

- (1) the student's ~~(f)~~ financial need; ~~or~~
- (2) ~~the student's~~ academic achievement; or
- (3) any other criteria.

[20-30-11.5-6(c)] ~~(c)~~ **Sec. 11.** A state educational institution shall waive tuition for a student who is:

- (1) eligible for free or reduced lunch in high school;
- (2) accepted into the program; and
- (3) accepted for admission to the state educational institution.

[20-30-11.5-7] ~~Sec. 7:~~ **12.** A student ~~shall~~ **is entitled to** receive postsecondary credit toward meeting the degree requirements at the state educational institution at which the student successfully completed a dual credit course. If the student enrolls in a state educational institution other than the state educational institution at which a dual credit course was completed, the other state educational institution:



- (1) shall grant credit for courses that are:
  - (A) in the core transfer library; or
  - (B) subject to an articulation agreement; and
- (2) may grant credit for other courses.

[20-30-11.5-8] ~~Sec. 8-~~ **13.** After June 30, 2008, a state educational institution or campus of a state educational institution that offers dual credit courses in liberal arts, professional, or career and technical disciplines must be accredited by the National Alliance of Concurrent Enrollment Partnerships.

#### **Chapter 6. High School Fast Track; Ivy Tech Community College**

[20-12-75-14(a)] ~~Sec. 14:~~ **Sec. 1.** ~~(a)~~ Ivy Tech Community College may establish a high school fast track to college program that offers qualified individuals an opportunity to earn a high school diploma while earning credits for a certificate program or an associate's degree.

[20-12-75-14(b) (part)] ~~(b)~~ **Sec. 2.** To be eligible to earn a high school diploma, ~~under this section,~~ an individual must be either:

- (1) at least nineteen (19) years of age and not enrolled in a **high** school; or
- (2) at least seventeen (17) years of age and have consent from the high school the individual attended most recently. The school corporation in which an individual ~~to whom described in~~ this subdivision ~~applies resides~~ **has legal settlement** shall pay the individual's tuition for high school level courses taken at Ivy Tech **Community College** during each year the individual is included in the school corporation's ADM.

[20-12-75-14(c)] ~~(c)~~ **Sec. 3.** To complete the requirements for a high school diploma, ~~under this section,~~ the individual must: ~~have:~~

- (1) ~~passed:~~ **pass:**
  - (A) the graduation examination given under IC 20-32-4;
  - (B) an examination for a general ~~educational~~ **education** development diploma;
  - (C) an examination equivalent to the graduation examination:
    - (i) administered by Ivy Tech **Community College**; and
    - (ii) approved by the department **of education**; or
  - (D) an examination that demonstrates the student is ready for college level work:
    - (i) administered by Ivy Tech **Community College**; and
    - (ii) approved by the department **of education**; and
- (2) ~~completed~~ **complete** the coursework necessary to meet:
  - (A) the minimum high school course requirements established by the state board **of education**; and
  - (B) the requirements of Ivy Tech **Community College**.

[20-12-75-14(d)] ~~(d)~~ **Sec. 4.** In addition to meeting the requirements set forth in ~~subsections (b)~~ **sections 2 and (c); 3 of this chapter,** an individual must have the credits toward graduation that the individual



1 successfully completed in high school transferred to Ivy Tech  
2 **Community College.**

3 [20-12-75-14(e)] ~~(c)~~ **Sec. 5.** Ivy Tech **Community College** shall  
4 notify the state board of education that an individual has successfully  
5 completed the requirements of ~~a the~~ program. ~~established under this~~  
6 ~~section.~~ Upon receiving the notification, the state board of education  
7 shall:

8 (1) grant to the individual a high school diploma that states the  
9 individual earned the high school diploma at Ivy Tech  
10 **Community College;** and

11 (2) provide the diploma to Ivy Tech **Community College** to  
12 award to the individual.

13 [20-12-75-14(f)] ~~(f)~~ **Sec. 6.** If Ivy Tech **Community College**  
14 establishes a program, ~~under this section,~~ Ivy Tech **Community**  
15 **College** shall report annually to the education roundtable established  
16 under IC 20-19-4 the number of program participants and diplomas  
17 granted while earning credits for a certificate program or an associate's  
18 degree.

19 **Chapter 7. High School Fast Track to College Program;**  
20 **Vincennes University**

21 [23-13-18-29(a)] ~~Sec. 29: 1.~~ ~~(a)~~ The **board of** trustees of Vincennes  
22 University may establish a high school fast track to college program  
23 that offers qualified individuals an opportunity to earn a high school  
24 diploma while earning credits for a certificate program or an associate's  
25 degree.

26 [23-13-18-29(b) (part)] ~~(b)~~ **Sec. 2.** To be eligible to earn a high  
27 school diploma, ~~under this section,~~ an individual must be either:

28 (1) at least nineteen (19) years of age and not enrolled in a **high**  
29 school; or

30 (2) at least seventeen (17) years of age and have consent from the  
31 high school the individual attended most recently. The school  
32 corporation in which an individual ~~to whom described in~~ this  
33 subdivision ~~applies resides~~ **has legal settlement** shall pay the  
34 individual's tuition for high school level courses taken at  
35 Vincennes University during each year the individual is included  
36 in the school corporation's ADM.

37 [23-13-18-29(c) (part)] ~~(c)~~ **Sec. 3.** To complete the requirements for  
38 a high school diploma, ~~under this section,~~ the individual must: ~~have:~~

39 (1) ~~passed:~~ **pass:**

40 (A) the graduation examination given under IC 20-32-4;

41 (B) an examination for a general educational development  
42 diploma;

43 (C) an examination equivalent to the graduation examination:

44 (i) administered by Vincennes University; and

45 (ii) approved by the department of education established by  
46 IC 20-19-3-1; or



(D) an examination that demonstrates the student is ready for college level work:

(i) administered by Vincennes University; and

(ii) approved by the department of education; and

(2) ~~completed~~ **complete** the coursework necessary to meet:

(A) the minimum high school course requirements established by the state board of education; and

(B) the requirements of Vincennes University.

[23-13-18-29(d) (part)] ~~(d)~~ **Sec. 4.** In addition to meeting the requirements set forth in ~~subsections (b) and (c); sections 2 and 3 of this chapter~~, an individual must have the credits toward graduation that the individual successfully completed in high school transferred to Vincennes University.

[23-13-18-29(e) (part)] ~~(e)~~ **Sec. 5.** Vincennes University shall notify the state board **of education** that an individual has successfully completed the requirements of ~~a~~ **the** program. ~~established under this section~~. Upon receiving the notification, the state board **of education** shall:

(1) grant to the individual a high school diploma that states the individual earned the high school diploma at Vincennes University; and

(2) provide the diploma to Vincennes University to award to the individual.

[23-13-18-29(f) (part)] ~~(f)~~ **Sec. 6.** If Vincennes University establishes a program, ~~under this section~~, Vincennes University shall report annually to the education roundtable established under IC 20-19-4 the number of program participants and diplomas granted.

SECTION 55. IC 21-44 IS ADDED TO THE INDIANA CODE AS A **NEW ARTICLE** TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]:

## **ARTICLE 44. MEDICAL EDUCATION SYSTEM**

### **Chapter 1. General Provisions; Definitions**

[New] **Sec. 1.** The definitions in this chapter apply throughout this article.

[IC 20-12-29.5-1] Sec. ~~1~~ **2.** ~~As used in this chapter~~, "Anatomical education program" means ~~the~~ **a** program that provides for the:

(1) acquisition of cadavers for educational purposes for use in health education programs at institutions of higher learning;

(2) distribution of the cadavers to institutions of higher learning;

(3) ~~utilization~~ **use** of the cadavers for educational purposes by institutions of higher learning; and

(4) final disposition of the cadavers.

[New] **Sec. 3. "Board"** refers to the medical education board established under IC 21-44-5-1.

[IC 20-12-29.5-2] Sec. ~~2~~ **4.** ~~As used in this chapter~~, "Cadaver" means a whole human postmortem body that:



- (1) has been donated under IC 29-2-16;
- (2) is unclaimed by a relative or other legal representative and that would otherwise be required to be buried at public expense;
- or
- (3) is otherwise legally procured by the Indiana University School of Medicine.

[New] **Sec. 5. "Center", for purposes of IC 21-44-4, refers to a center for comprehensive medical education established under IC 21-44-4.**

[New] **Sec. 6. "Clinical teaching and training program", for purposes of IC 21-44-5, refers to a clinical teaching and training program established under the plan under IC 21-44-5.**

[IC 20-12-30-3 (part)] **Sec. 7. ~~The term~~ "Family practice" means that medical specialty ~~which that~~:**

- (1) is called family practice; and ~~which~~
- (2) provides personal physicians who:
  - (A) serve as first medical contacts for patients; ~~who~~
  - (B) provide a means of entering the health care system; and
  - ~~who~~
  - (C) accept responsibility for a patient's total health care.

[New] **Sec. 8. "Fund" refers to the family practice residency fund established by IC 21-44-5-18.**

[New] **Sec. 9. "Director", for purposes of IC 21-44-4, refers to the director appointed under IC 21-44-4 for a center.**

[IC 20-12-29.5-3] **Sec. ~~3~~ 10. ~~As used in this chapter,~~ "Health education program" refers to an accredited program of study offered by an institution of higher learning in which the curriculum requires the observation, examination, or dissection of a cadaver by a student enrolled in the program.**

[IC 20-12-29.5-4] **Sec. ~~4~~ 11. ~~As used in this chapter,~~ "Institution of higher learning", for purposes of section 10 of this chapter, means a university, college, or other educational institution that:**

- (1) operates in Indiana; and
- (2) offers a health education program leading to a baccalaureate, graduate, or postgraduate degree in a health related field ~~such as~~ including:
  - (A) medicine;
  - (B) dentistry;
  - (C) optometry;
  - (D) nursing;
  - (E) physical therapy;
  - (F) occupational therapy; or
  - (G) other allied health fields.

[New] **Sec. 12. "Intern, residency, and graduate program", for purposes of IC 21-44-5, refers to an intern, residency, and graduate program for which the board establishes policies under**





1 **IC 21-44-5.**

2 [New] **Sec. 13. "Plan", for purposes of IC 21-44-5, refers to the**  
 3 **plan for a statewide medical education established by the Indiana**  
 4 **University School of Medicine under IC 21-44-5-7.**

5 **Chapter 2. Anatomical Education Program**

6 [IC 20-12-29.5-5] **Sec. 5: 1.** (a) The dean of the Indiana University  
 7 School of Medicine or the dean's designee shall administer the  
 8 anatomical education program in accordance with policies adopted by  
 9 the dean or the dean's designee under section ~~6(1)~~ **2(1)** of this chapter.

10 (b) In administering the anatomical education program, the dean or  
 11 the dean's designee shall:

12 (1) administer body bequests made to institutions of higher  
 13 learning under IC 29-2-16; and

14 (2) maintain written records of all transactions undertaken under  
 15 the anatomical education program.

16 (c) In administering the anatomical education program, the dean or  
 17 the dean's designee may through the trustees of Indiana University:

18 (1) enter into contracts; and

19 (2) employ qualified staff either on a full-time or part-time basis,  
 20 including a licensed funeral director to assist in the operation and  
 21 coordination of the anatomical education program.

22 [IC 20-12-29.5-6] **Sec. 6: 2.** The dean of the Indiana University  
 23 School of Medicine or the dean's designee shall do the following:

24 (1) Adopt policies necessary to administer the anatomical  
 25 education program, including the formulation of standards  
 26 governing the following:

27 (A) Acceptance of cadavers under the anatomical education  
 28 program.

29 (B) Anatomical health education programs.

30 (C) Embalming procedures.

31 (D) Facilities in which cadavers may be stored and examined.

32 (E) Security.

33 (F) Use of the cadavers.

34 (G) Transportation of cadavers.

35 (H) Maintenance of written records.

36 (I) Final disposition of cadavers.

37 (2) Approve for involvement in the anatomical education program  
 38 institutions of higher learning that satisfactorily comply with all  
 39 standards and policies adopted by the dean or the dean's designee.

40 (3) Annually review the operation and administration of the  
 41 anatomical education program, including review of the following  
 42 aspects of the anatomical education program:

43 (A) Budget appropriation.

44 (B) Revenue received.

45 (C) Costs incurred.

46 (D) Written records maintained by the program.



(4) Determine the fees ~~to be assessed~~ institutions of higher learning **must pay** for the use of cadavers under the anatomical education program.

(5) Address current issues that directly or indirectly affect the operation of the anatomical education program.

### **Chapter 3. School of Medicine; Indianapolis**

[IC 20-12-29-1] Sec. 1. The trustees of Indiana University ~~are hereby authorized to may~~ conduct a medical school in Marion County, Indiana, and ~~to may~~ receive gifts of real estate and other property on behalf of the state of Indiana for the maintenance of medical education in ~~said Marion County conditioned that said~~ **if the following conditions are satisfied:**

(1) ~~The board of trustees of Indiana University shall must provide for the conduct as an integral part of the Indiana University School of Medicine a full four (4) years' year course in medicine as an integral part of the Indiana University School of Medicine in said Marion County, Indiana. Provided; That there shall be no discrimination~~

(2) ~~The board of trustees of Indiana University may not discriminate for or against any school or system of medicine in the Indiana University. and that all or Each of the schools or systems of medicine now recognized by the state shall on April 5, 1909, must have adequate opportunity to teach the practice of medicine in the Indiana university according to the principles advocated by them each of the schools or systems of medicine respectively. and it shall be the duty of~~

(3) The **board of trustees of Indiana University to must:**

(A) provide ~~such~~ instruction **in the practice of medicine** in as thorough a manner as the means at their disposal will permit; and

(B) as nearly as possible ~~to~~ provide the same quality of instruction whenever a reasonable demand ~~shall be~~ **is** made for the same. ~~Provided; further; That~~

(4) Premedical or other collegiate work done in any college or university of Indiana ~~which that~~ is recognized by the state board of education ~~of Indiana~~ as a standard college or university, ~~shall~~ **must** be received and credited in the Indiana University School of Medicine upon the same conditions as work of the same kind, grade, and amount done in the department of liberal arts of Indiana University.

### **Chapter 4. Statewide Medical Education System**

[IC 20-12-30.5-1] Sec. ~~1~~ **1**. There is ~~hereby~~ established the Indiana statewide medical education system.

[IC 20-12-30.5-2 (part)] Sec. ~~2~~ **2**. The Indiana statewide medical education system ~~shall must~~ include ~~but not be limited to;~~ centers for comprehensive medical education established in cooperation with



existing medical and educational institutions in **the following:**

- (1) Gary.
- (2) Fort Wayne.
- (3) Lafayette.
- (4) Evansville.
- (5) South Bend.
- (6) Terre Haute. ~~and~~
- (7) Muncie. ~~Indiana.~~

[IC 20-12-30.5-2 (part)] **Sec. 3.** ~~These~~ **The** centers shall be known separately and respectively as are the following:

- (1) **The Gary center on the campus of Indiana University-Northwest shall be known as** Indiana University School of Medicine-Northwest. ~~(on the campus of Indiana University-Northwest).~~
- (2) **The Fort Wayne center on the campus of Indiana University-Purdue University Fort Wayne shall be known as** Indiana University School of Medicine-Fort Wayne. ~~(on the campus of Indiana University-Purdue University Fort Wayne).~~
- (3) **The Lafayette center on the campus of Purdue University shall be known as** Indiana University School of Medicine-Lafayette. ~~(on the campus of Purdue University).~~
- (4) **The Evansville center on the campus of the University of Southern Indiana shall be known as** University School of Medicine-Evansville. ~~(on the campus of the University of Southern Indiana).~~
- (5) **The South Bend center on the campus of the University of Notre Dame shall be known as** Indiana University School of Medicine-South Bend. ~~(on the campus of the University of Notre Dame).~~
- (6) **Indiana University School of Medicine-Terre Haute (on the campus of Indiana State University).** ~~and~~
- (7) **The Muncie center on the campus of Ball State University shall be known as** Indiana University School of Medicine-Muncie. ~~(on the campus of Ball State University).~~

[IC 20-12-30.5-3 (part)] **Sec. 3.** ~~4.~~ A director shall be jointly appointed for each center in the **Indiana statewide medical education** system by the office of dean of the Indiana University School of Medicine and the local cooperating ~~institution or state educational~~ institutions. ~~hold and The director holds~~ a joint appointment with the local cooperating **state educational** institutions.

[IC 20-12-30.5-3 (part)] **Sec. 5.** An advisory council shall ~~also~~ be appointed by each local center to provide as effectively as possible for a high degree of support and advice from the lay and professional communities.

[IC 20-12-30.5-4 (part)] **Sec. 4.** ~~6.~~ The administration of the Indiana University School of Medicine shall ~~be responsible for planning plan~~



and ~~implementing~~ **implement** the orderly development and expansion of a medical education program in each center in cooperation with the director and staff of the cooperating **state educational** institutions.

[IC 20-12-30.5-4 (part)] **Sec. 7. The dean of the Indiana University School of Medicine is responsible for the fiscal administration of the medical education programs established in each center. Budgets** ~~The director for of each center shall be proposed by the centers submit budgets~~ for review and approval by the dean of the Indiana University School of Medicine. ~~whose office shall be charged with the responsibility is responsible for fiscal administration.~~

[IC 20-12-30.5-5] ~~Sec. 5:~~ **8.** Joint faculty appointments shall be made by the Indiana University School of Medicine and the participating **state educational** institutions. ~~of higher education.~~

[IC 20-12-30.5-6] ~~Sec. 6:~~ **9.** The Indiana University School of Medicine ~~shall be~~ **is** responsible for:

- (1) selection, admission, and assignment of students;
- (2) curricular development and evaluation; and
- (3) accreditation.

[IC 20-12-30.5-7 ~~Sec. 7:~~ **Medical students shall be admitted in 1971 to those centers which, in the judgment of the Indiana University School of Medicine, have developed appropriate faculty, facilities, and curricula consistent with the accreditation standards of the joint commission on accreditation of the American Medical Association and the Association of Medical Colleges.**

[IC 20-12-30.5-8] ~~Sec. 8:~~ **10.** ~~In order~~ To insure continuing educational excellence, the Indiana University School of Medicine shall provide for periodic, systematic evaluation of the Indiana statewide medical education system in cooperation with the governor's commission on medical education or its successor body.

#### **Chapter 5. Medical Education Board; Resident and Internship Training; Postgraduate Programs**

[IC 20-12-30-2 (part)] ~~Sec. 2:~~ **1** There is ~~hereby~~ established a medical education board, consisting of seven (7) persons.

[IC 20-12-30-2 (part)] **Sec. 2. (a)** The **board consists of the following members:**

- (1) ~~The dean of the Indiana University School of Medicine, who shall be serves as an ex officio a member of the board. and The dean of the Indiana University School of Medicine shall serve as its the chairman of the board.~~
- (2) The commissioner of the state department of health, ~~by virtue of his office who serves as an ex officio member of the board.~~ and
- (3) Five (5) members appointed by the governor **as follows:**
  - (A) One (1) ~~of the members member~~ appointed by the governor ~~shall be who is~~ a director of medical education of an



Indiana hospital not owned or operated by Indiana University.

**(B) One (1) shall be member who:**

**(i) is** a hospital administrator in a hospital not owned or operated by Indiana University; and **not**

**(ii) is not** the hospital administrator for the hospital of ~~director of medical education herein provided;~~ **that employs the member appointed under clause (A).**

**(C) One (1) shall be member who:**

**(i) is** a citizen of ~~this state who~~ **Indiana; and**

**(ii) is neither not** a physician ~~nor and not~~ a hospital administrator. ~~and~~

**(D) Two (2) shall be members who are** physicians holding unlimited licenses to practice medicine in Indiana. ~~Neither of~~ The two (2) physicians **appointed under this subdivision** may **not be a director directors** of medical education. ~~but One (1)~~ **of the members appointed under this subdivision** must be **practicing practice** in the specialty of family practice.

**(b) The terms of office of the five (5) members appointed to the board** by the governor ~~shall be~~ **are for** three (3) years beginning January 1 of the year of appointment and continuing until the member's successor is appointed and qualified. If a membership on the board ~~should become~~ **becomes** vacant ~~prior to before~~ the expiration of the term, the governor shall appoint a replacement ~~of similar with the same~~ representative status to fill the unexpired term.

[IC 20-12-30-2.1] Sec. ~~2-1:~~ **3. Board: Meetings:** The board shall meet initially at the call of the governor. ~~and thereafter not less than~~ **After the initial meeting, the board shall meet at least** twice each year.

[IC 20-12-30-2.2] Sec. ~~2-2:~~ **4. Board: Compensation:** The board members ~~shall may not~~ receive ~~no~~ a salary. ~~but shall~~ **The board members must** be allowed a per diem for each day actually spent by ~~them~~ upon the business of the board and may be reimbursed for any travel expenses incurred by ~~them~~ in the performance of their responsibilities under this chapter.

[IC 20-12-30-2.3] Sec. ~~2-3:~~ **5. (a)** The ~~state~~ budget agency shall provide for necessary office space and secretarial personnel ~~as that is:~~

**(1)** requested by the board; and ~~is~~

**(2)** required for the conduct of the board's business.

**(b)** Board expenses may include necessary rent, salaries, and other necessary administrative expenses. ~~Payment for such expenses shall come from monies appropriated by Acts 1974, P.L.100; SECTION 8:~~

[IC 20-12-30-3 (part)] ~~(g)~~ **Sec 6. Nothing in** This chapter ~~shall does~~ **not** in any way compromise the accreditation of the participating hospital by the American Hospital Association, the American Medical Association, the American Osteopathic Hospital Association, the American Osteopathic Association or the Association of American



1 Medical Colleges.

2 [IC 20-12-30-1 (part)] ~~Sec. 7. In order~~ To retain and attract more  
3 physicians by the state, ~~of Indiana~~, the Indiana University School of  
4 Medicine shall establish a plan for statewide medical education. ~~Said~~

5 [IC 20-12-30-1 (part)] **Sec. 8. The general assembly recommends**  
6 **that the plan should do the following:**

7 (1) Provide supplemental income for interns and residents based  
8 on the policies recommended by the ~~medical education~~ board.  
9 ~~Included in this plan should be~~

10 (2) **Include** a statewide communications network for television,  
11 audio, and computer library service. ~~This plan should~~

12 (3) Provide for **the** Indiana University School of Medicine to  
13 establish working relationships or community clinical teaching  
14 and training programs with the cooperation of the medical  
15 profession, hospitals, and clinics. ~~Such~~

16 [IC 20-12-30-1 (part)] **Sec. 9. The board shall choose the sites for**  
17 **its community clinical teaching and training programs. shall be**  
18 **chosen by the medical education board which shall include in its**  
19 **consideration The board shall consider site candidates in:**

- 20 (1) Indianapolis;
- 21 (2) Lafayette;
- 22 (3) cities of Lake County;
- 23 (4) Michigan City;
- 24 (5) South Bend;
- 25 (6) Fort Wayne;
- 26 (7) Bluffton;
- 27 (8) Marion;
- 28 (9) Muncie;
- 29 (10) Kokomo;
- 30 (11) Richmond;
- 31 (12) Terre Haute;
- 32 (13) Vincennes;
- 33 (14) Evansville;
- 34 (15) Jeffersonville; and
- 35 (16) other areas;

36 when adequate preparation and funds ~~will~~ allow ~~such~~ a program. ~~The~~  
37 ~~plan should~~

38 [IC 20-12-30-1 (part)] **Sec. 10. The general assembly recommends**  
39 **that the plan do the following:**

40 (1) Include formal teaching opportunities for intern and resident  
41 training and advanced medical education throughout ~~the state~~.  
42 ~~The plan should also~~ **Indiana.**

43 (2) Establish the positions and partially or wholly fund additional  
44 off-campus Indiana University medical faculty and directors of  
45 medical education located throughout ~~the state~~ **Indiana** with  
46 appointment mainly in local communities. ~~It should~~



(2) Expand continuing medical education programs for interns and residents on a statewide basis.

[IC 20-12-30-1 (part)] **Sec. 11.** Medical institutions throughout the state could **Indiana may** apply for grants-in-aid to the medical education board or the Indiana University School of Medicine for financial support of personnel or programs. ~~It would~~ **The grants may** permit funding of programs not affiliated with Indiana University School of Medicine.

[IC 20-12-30-3 (part)] ~~Sec. 3:~~ **12.** The ~~medical education~~ board shall establish policies for the use and expenditure of ~~the money hereby~~ appropriated for intern, residency, and ~~appropriate~~ graduate programs. The board shall set standards for qualification for participation under ~~the provisions of this chapter.~~

[IC 20-12-30-4] ~~Sec. 4:~~ **13. (a)** The medical education advisory board shall establish policies for the use and expenditure of ~~the money hereby~~ appropriated for ~~and in the~~ intern, residency, and ~~appropriate~~ graduate ~~program section of this chapter but~~ **programs.**

**(b)** The medical education advisory board shall not establish or recommend policies for the **clinical** teaching **and** training **programs and or any related** educational ~~program: section of this chapter: programs.~~

[IC 20-12-30-3 (part)] ~~Sec. 14.~~ **14.** ~~These shall include, but not be limited to, The policies established by the board for intern, residency, and graduate programs must include~~ the following:

~~(a)~~ **(1)** A **hospital must present** an educational plan and a training schedule ~~shall be presented~~ to the board ~~by the hospital~~ for each program for which ~~it the hospital~~ desires assistance under this chapter at the time ~~of the hospital submits~~ its application to the board.

~~(b)~~ **(2)** The board ~~shall must~~ be reasonably certain that the educational program of the hospital will provide a high degree of academic excellence.

~~(c)~~ **(3)** A physician, who ~~shall is not be~~ the hospital administrator, ~~shall must~~ be charged with the primary responsibility of supervising the educational program of the hospital.

~~(d)~~ **(4)** One **(1)** individual ~~shall must~~ be charged with directing each resident training program in a medical specialty in the hospital in order for the residency to receive funds provided ~~by~~ **under** this chapter. The **designated** individual ~~shall must~~ attend one **(1):**

**(A)** professional state or national meeting; ~~in his specialty; or one~~

**(B)** postgraduate course, ~~not to include other than those a course~~ provided in the local hospital with which ~~he the~~ **designated individual** is affiliated;

~~in this the individual's specialty each year. and The individual~~



1 should show evidence of progressive competence in the field of  
2 medical education.

3 ~~(e)~~ **(5)** Each hospital participating in this program ~~shall must~~  
4 provide a postgraduate education program ~~to be that must be~~  
5 made available to ~~doctors~~ **physicians** in private practice in the  
6 local area. For each residency training program, there ~~shall must~~  
7 be at least one **(1)** postgraduate course in ~~this the~~ specialty  
8 **covered by the residency training program** each year.

9 ~~(f)~~ **(6)** The board shall periodically review the educational  
10 program provided by a participating hospital to assure that the:

11 **(A)** program provides a reasonable amount of both formal and  
12 practical training; and ~~that the~~

13 **(B)** formal sessions ~~shall be~~ **are** presented insofar as  
14 practicable as often as scheduled in the educational plan of the  
15 hospital.

16 The review ~~shall must~~ include at least one (1) visit to each  
17 participating hospital by the board or ~~its the board's~~ delegated  
18 representative each year.

19 [IC 20-12-30-2.5] ~~Sec. 2-5:~~ **15.** It is The intent of ~~section 3 of~~ this  
20 chapter **is to establish intern, residency, and graduate programs to**  
21 assist in annually preparing, educating, and retaining more than one  
22 hundred (100) physicians for family practice in Indiana. Family  
23 practice programs are necessary to teach the latest scientific care of  
24 common diseases to provide health care for the maximum number of  
25 citizens in Indiana.

26 [IC 20-12-30-3 (part)] **Sec. 16.** In addition to the **intern, residency,**  
27 **and graduate** programs ~~already provided for in established under~~ this  
28 ~~section;~~ **chapter,** the board shall provide financial support for the  
29 development, enlargement, and continuation of graduate training  
30 programs in family practice for physicians ~~which shall that~~ prepare  
31 ~~them the~~ **physicians** for the specialty of family practice. ~~The term~~  
32 "family practice" means that medical specialty which is called family  
33 practice and which provides personal physicians who serve as first  
34 medical contacts for patients; who provide a means of entering the  
35 health care system; and who accept responsibility for a patient's total  
36 health care.

37 [IC 20-12-30-3 (part)] **Sec. 17.** Funding for family practice  
38 residency programs ~~shall must be used to~~ provide supplemental  
39 support to eligible hospitals ~~in on~~ behalf of the education of family  
40 medicine residents in accordance with the policies recommended by  
41 the ~~medical education~~ board.

42 [IC 20-12-30-3 (part)] **Sec. 18.** Appropriations to the ~~medical~~  
43 ~~education~~ board from the general fund for the board's use in  
44 developing, enlarging, and continuing graduate training programs in  
45 family practice ~~shall must~~ be placed in a separate fund to be called the  
46 "family practice residency fund". Amounts in this fund do not revert to





the general fund at the close of any fiscal year.

SECTION 56. IC 21-45 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]:

**ARTICLE 45. LIFE SCIENCES RESEARCH AND EDUCATION CENTERS**

**Chapter 1. General Provisions; Definitions**

[New] **Sec. 1. The definitions in this chapter apply throughout this article.**

[20-12-29.7-1; 20-12-30.6-1] **Sec. 2. As used in this chapter, "Center":**

(1) **for purposes of IC 21-45-4**, refers to an adult stem cell research center established under ~~section 2 of this chapter~~ **IC 21-45-4-1** to carry out the duties specified by ~~this chapter~~, **IC 21-45-4**; and

(2) ~~Sec. 1. As used in this chapter, "center"~~ **for purposes of IC 21-45-5**, refers to a spinal cord and head injury research center established under ~~this chapter~~ **IC 21-45-5**.

[20-12-34.5-2] ~~Sec. 2. 3. As used in this chapter, "Data bank" refers to the data bank for DNA population statistics established under by section 3 of this chapter.~~ **IC 21-45-6-1.**

[20-12-34.5-1] ~~Sec. 1. 4. As used in this chapter, "Department", for purposes of IC 21-45~~, refers to the department of medical genetics of the Indiana University School of Medicine.

[New] **Sec. 5. "DNA" refers to deoxyribonucleic acid.**

**Chapter 2. Public Health Department**

[20-12-33-1] ~~Sec. 1. As soon as practicable after February 28, 1945,~~ The ~~board of~~ trustees of Indiana University ~~are authorized to may~~ establish in the ~~medical~~ **Indiana University School of Medicine** a department of public health and ~~to~~ provide adequate equipment and competent personnel to carry out the purpose of this chapter.

[20-12-33-2] ~~Sec. 2. In addition to (a) The Indiana University department of public health shall provide instruction of students in public health problems, personnel, and equipment. shall be provided, which in conjunction with The state Indiana University department of public health may provide short courses in:~~

(1) public health practice ~~to~~ **for** physicians; ~~in~~

(2) dental health practice ~~to~~ **for** dentists; and ~~in~~

(3) public health for nurses and all other persons desiring to develop a technical understanding in public health matters. ~~Such~~

**The courses provided under this section** may also be provided for lay groups in phases of public health and sanitary measures appropriate to the occupation or profession of ~~such group~~ **and such the groups**.

(b) The ~~short~~ courses **provided under this section** may be held at any convenient place ~~within the state~~ **in Indiana**.

(c) The courses **provided under this section** for nurses ~~shall must~~



be planned in cooperation with the director of nursing education ~~within~~  
~~the~~ for Indiana University.

[20-12-33-3] Sec. 3. The **Indiana University** School of Medicine  
 shall be authorized to ~~may~~ charge and collect a tuition fee for ~~such~~  
~~short~~ courses **provided under section 2 of this chapter.** ~~but~~ The  
 amount of ~~such the~~ tuition fee for a course shall be no greater than  
 may not exceed the actual cost of providing the course. ~~and~~  
**However,** if, in the discretion of the **board of** trustees acting in  
 conjunction with the state department of health, a tuition fee at cost  
 would ~~tend to~~ discourage attendance in any ~~short~~ course **provided**  
**under section 2 of this chapter,** the tuition fee may be decreased or  
 waived entirely ~~as to~~ for all persons taking the course.

### **Chapter 3. State Toxicology Department**

[20-12-34-1] Sec. 1. ~~As soon as practicable after March 12, 1957,~~  
 The **board of** trustees of Indiana University ~~are hereby authorized to~~  
**may** establish in the Indiana University School of Medicine a state  
 department of toxicology and ~~to~~ provide adequate equipment and  
 competent personnel to carry out the ~~purpose~~ **purposes** of this chapter.

[20-12-34-2] Sec. 2. **(a)** The **state** department of toxicology shall **do**  
**the following:**

**(1)** Conduct analyses for poisons, drugs, and alcohols upon  
 human tissues and fluids submitted by:

**(A)** Indiana coroners, ~~prosecutors,~~ prosecuting attorneys, and  
 sheriffs;

**(B)** ~~duly~~ authorized officials of the Indiana state police and  
 Indiana city police departments; and ~~by~~

**(C)** officials of the Indiana University Medical Center  
 hospitals;

in cases of suspected poisoning or intoxication of human beings.  
~~and to~~

**(2)** Report ~~these the~~ analytical findings **of the state department**  
**of toxicology** to the official requesting ~~such the~~ analyses. ~~and to~~

**(3)** Consult with Indiana coroners and coroner's physicians  
 regarding the interpretation of the ~~above~~ analytical findings.

**(b)** The personnel of the **state department of toxicology** shall  
 furnish expert testimony regarding the **department's** analytical  
 findings in all **legal** hearings **required by law** including criminal  
 prosecutions ~~growing out of such related to the~~ findings.

[20-12-34-3] Sec. 3. **(a)** The **state department of toxicology** shall  
~~also do the following:~~

**(1)** Give instruction in toxicology to medical students and  
 physicians being trained at the Indiana University School of  
 Medicine. ~~and shall~~

**(2)** Train ~~properly~~ qualified students desiring to become  
 toxicologists.

**(b)** The ~~personnel of the~~ **state department of toxicology** shall also



train police technicians and other persons selected by the dean of the Indiana University School of Medicine, or ~~his~~ **the dean's** representative, to conduct some of the simpler chemical tests for intoxication.

[20-12-34-4] Sec. 4. The **state** department of **toxicology** shall conduct research on **the following**:

(1) The detection of toxic compounds ~~which~~ **that** may be components of drugs or medicines or may be present in pesticides used for agricultural or other purposes. ~~and shall conduct research on~~

(2) The treatment of poisoning from these **toxic** substances.

[20-12-34-5] Sec. 5. ~~The personnel of such the~~ **(a) State** department of **toxicology** **examiners** shall make periodic visits to various state, county, city, and hospital laboratories in Indiana: ~~which~~

(1) ~~that~~ are performing analyses for alcohol upon materials from the human body; ~~which and~~

(2) ~~whose~~ analytical results may be used in criminal prosecutions. ~~for the purpose of examining~~

**(b) An examiner shall conduct a visit under this section to:**

(1) **examine** the person conducting ~~such the~~ tests ~~relative to his~~ **concerning the person's** competence to reliably perform ~~such the~~ analyses; and ~~for the purpose of inspecting~~

(2) **inspect** the apparatus and chemicals employed in making ~~such the~~ analyses. ~~and this~~

**(c) The state** department of **toxicology** shall keep a record of ~~said the~~ **examiners' findings under this section.**

#### **Chapter 4. Adult Stem Cell Research Center**

[20-12-29.7-2] Sec. ~~2~~ **1**. The board of trustees of Indiana University may establish an adult stem cell research center.

[20-12-29.7-3] Sec. ~~3~~ **2**. The center must be under the administration of the **Indiana University** School of Medicine.

[20-12-29.7-4] Sec. ~~4~~ **3**. The dean of the **Indiana University** School of Medicine shall appoint the director of the center.

[20-12-29.7-5] Sec. ~~5~~ **4**. The board of trustees of Indiana University may receive, accept, hold, and apply donations, bequests of funds, property, gifts, and other income in support of the center's purposes.

[20-12-29.7-6] Sec. ~~6~~ **5**. The center shall:

(1) conduct a thorough and comprehensive needs assessment of the state of science of adult stem cell research; and

(2) develop strategies to move Indiana University into the forefront of the nation in its capacity to attract and retain adult stem cell researchers.

#### **Chapter 5. Spinal Cord and Head Injury Research Centers**

[20-12-30.6-2 (part)] Sec. ~~2~~ **1**. The **board of** trustees of Indiana University and **the board of trustees** of Purdue University ~~are authorized to may~~ establish, **in total**, two (2) spinal cord and head



injury **research** centers to advance the methods of treatment of spinal cord and head injuries. ~~as follows:~~

[20-12-30.6-2 (part)] ~~(1)~~ **Sec. 2.** One (1) center **established under section 1 of this chapter** must be located in Indianapolis, with faculty and staff from Indiana University. ~~and This center must~~ focus on basic research with an emphasis on clinical research into medical treatments for injuries to the central nervous system.

[20-12-30.6-2 (part)] ~~(2)~~ **Sec. 3.** One (1) center **established under section 1 of this chapter** must be located in West Lafayette, with faculty and staff from Purdue University. ~~and This center must~~ focus on basic research with an emphasis on applied research for the pre-clinical testing of injuries to the central nervous system that have occurred in animals.

[20-12-30.6-3] ~~Sec. 3-~~ **4.** A center **established under section 1 of this chapter** may participate in research projects:

- (1) with another center; or
- (2) with hospitals and medical centers.

#### **Chapter 6. Data Bank for DNA Population Statistics**

[20-12-34.5-3] ~~Sec. 3-~~ **1.** The data bank for DNA population statistics is established. The department shall administer the data bank. The data bank consists of information obtained under section ~~4~~ **2** of this chapter.

[20-12-34.5-4] ~~Sec. 4-~~ **2.** All nonidentifying data concerning allele frequencies and demographics that are generated by a laboratory conducting DNA analysis for use in Indiana shall be submitted by the laboratory to the department for inclusion in the data bank.

[20-12-34.5-5] ~~Sec. 5-~~ **3.** The department shall provide DNA population statistics derived from information in the data bank to a person ~~requesting who requests~~ the statistics ~~who and~~ has paid the fee required by the department under section ~~6~~ **4** of this chapter.

[20-12-34.5-6] ~~Sec. 6-~~ **4.** The department may impose a reasonable fee for distribution by the department of DNA population statistics under section ~~5~~ **3** of this chapter.

SECTION 57. IC 21-46 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]:

### **ARTICLE 46. AGRICULTURAL RESEARCH AND EDUCATION CENTERS**

#### **Chapter 1. General Provisions; Definitions**

[New] **Sec. 1.** The definitions in this chapter apply throughout this article.

[New] **Sec. 2.** "Fund", for purposes of IC 21-46-2, refers to the value added research fund established under IC 21-46-2-4.

[New] **Sec. 3.** "Laboratory", for purposes of IC 21-46-3, refers to an animal disease diagnostic laboratory or branch established under IC 21-46-3-1.



## Chapter 2. Center for Value Added Research

[4-4-3.4-1] Sec. 1. The director of the department of agriculture shall establish a center for value added research to perform the following duties:

- (1) Develop a strategic assessment of ~~the~~ Indiana agricultural industries and establish targeted priorities for industry expansion.
- (2) Develop recommendations for legislative and administrative programs that will enhance economic development in the targeted agricultural industries.
- (3) Identify and prioritize research development and educational needs for expanding value added opportunities in Indiana.
- (4) Establish cooperative industry research and development initiatives that lead to new agricultural industry opportunities in Indiana.
- (5) Serve as a resource for industry in the planning, promotion, and development of value added agricultural products and agricultural industry opportunities in Indiana, including product feasibility, market feasibility, economic feasibility, product development, product testing, and test marketing.
- (6) Serve as a resource for industry and the state in attracting value added agricultural industry to Indiana.
- (7) Develop private sector research funding and technology transfer programs commensurate with the state's targeted agricultural industry economic development objectives.
- (8) Provide a forum for continuing dialogue between industry, government, and researchers in addressing the needs and opportunities for expanding the value added agricultural industry.

[4-4-3.4-2] Sec. 2. In carrying out its duties under this chapter, the center for value added research shall cooperate with and may ~~utilize~~ **use** the resources of:

- (1) Purdue University and other colleges and universities located in Indiana;
- (2) any other state or federal department or agency;
- (3) political subdivisions located in Indiana; and
- (4) interest groups representing agriculture, business, and industry in Indiana.

[4-4-3.4-3] Sec. 3. To carry out the duties described in section 1 of this chapter, the director of the department of agriculture, acting for and on behalf of the center for value added research, may **do the following**:

- (1) Organize the center in the manner necessary to implement this chapter.
- (2) Execute contractual agreements, including contracts for:
  - (A) the operation of the center;
  - (B) the performance of any of the duties described in section 1 of this chapter;



- 1 (C) the services of an executive director to serve as the chief  
 2 operating officer of the center; and  
 3 (D) any other services necessary to carry out the duties  
 4 described in section 1 of this chapter.  
 5 (3) Receive money from any source.  
 6 (4) Expend money for an activity appropriate to the purposes of  
 7 this chapter.  
 8 (5) Execute agreements and cooperate with:  
 9 (A) any other state or federal department or agency;  
 10 (B) political subdivisions located in Indiana;  
 11 (C) any private person or corporation; or  
 12 (D) colleges and universities located in Indiana. ~~and~~  
 13 (6) ~~Subject to the approval of the budget agency,~~ Employ  
 14 personnel as necessary for the efficient administration of this  
 15 chapter, **subject to the approval of the budget agency.**  
 16 [4-4-3.4-4] Sec. 4. (a) The value added research fund is established  
 17 ~~for the purpose of providing to provide~~ money for:  
 18 (1) the center for value added research; and  
 19 (2) the director of the department of agriculture to carry out the  
 20 duties specified under this chapter.  
 21 **(b)** The fund shall be administered by the director of the department  
 22 of agriculture.  
 23 ~~(b)~~ **(c)** The fund consists of money appropriated by the general  
 24 assembly.  
 25 ~~(c)~~ **(d)** The treasurer of state shall invest the money in the fund not  
 26 currently needed to meet the obligations of the fund in the same  
 27 manner as other public funds may be invested.  
 28 ~~(d)~~ **(e)** Money in the fund at the end of a state fiscal year does not  
 29 revert to the state general fund.

### 30 **Chapter 3. Animal Disease Diagnostic Laboratory**

31 [15-2.1-5-1] Sec. 1. ~~Establishment. There is established~~ The animal  
 32 disease diagnostic laboratory **is established** at Purdue University in  
 33 West Lafayette, Indiana, with a branch laboratory in Dubois County.

34 [15-2.1-5-2] Sec. 2. ~~Purpose.~~ The purpose of the animal disease  
 35 diagnostic laboratory is to:

- 36 (1) aid ~~the citizens of~~ Indiana **residents** in the diagnosis of  
 37 diseases of domestic animals by developing and applying  
 38 accepted laboratory techniques and methods of diagnosis with a  
 39 primary emphasis on cases submitted subsequent to a field  
 40 diagnosis of a clinically apparent disease; and  
 41 (2) add to the wealth of ~~the state of~~ Indiana by aiding the **Indiana**  
 42 **state board of animal health** in the prevention, control, and  
 43 eradication of diseases of domestic animals.

44 [15-2.1-5-4] Sec. 4. ~~3. Administration.~~ **(a)** The ~~administration,~~  
 45 ~~management board of trustees of Purdue University shall:~~

- 46 **(1) administer, manage,** and control ~~of~~ the laboratory; ~~shall be~~



under the board of trustees of Purdue University, which shall and  
 (2) appoint the director of the laboratory.

**(b) Subject to the approval of the board of trustees of Purdue University,** the director of the laboratory shall make all appointments of personnel required to operate the laboratory efficiently. ~~subject to the approval of the board of trustees of Purdue University:~~

[15-2.1-5-5] Sec. ~~5~~: **4.** The services of the laboratory ~~shall~~ **must** be furnished to any ~~citizen of the state of~~ Indiana **resident** without any charge ~~being made~~ for the services required by the rules of the **Indiana state board of animal health.**

[15-2.1-5-6] Sec. ~~6~~: **5.** (a) Requests for any increases in funds for the expansion or other alteration of the facilities of the ~~animal disease diagnostic~~ laboratory including:

(1) all changes in policies, ~~such as the Trustees of Purdue University including approving~~ **approval of** a charge for any services furnished by the laboratory ~~or the level of such the~~ charges; or

(2) the establishment of branch laboratories;  
~~shall~~ **must** originate ~~in~~ **from** the **Indiana state board of animal health,** subject to the written approval of the board of trustees of Purdue University.

(b) The proceeds from ~~these the~~ fees ~~shall~~ **under this chapter must** be used **for equipment and supplies** for the ~~animal disease diagnostic~~ laboratory. ~~equipment and supplies.~~ All fees collected ~~shall~~ **must** be ~~paid~~ **deposited** into a separate fund within the treasury of Purdue University.

[15-2.1-5-7] Sec. ~~7~~: **6.** (a) The expense of operating and maintaining the laboratory ~~shall~~ **must** be paid ~~out of the~~ **from** funds appropriated for the administration of the **Indiana state board of animal health.**

(b) All funds used for the operating and maintaining of the laboratory shall be ~~expended~~ **used** by the board of trustees of Purdue University out of funds appropriated to the **Indiana state board of animal health,** subject to the approval of the **Indiana state board of animal health.**

(c) Money collected from fees charged under this chapter shall be ~~expended~~ **used** by the board of trustees of Purdue University to carry out the purpose of this chapter.

#### **Chapter 4. Purdue University: Agricultural Statistics**

[20-12-40-1] Sec. 1. ~~There is hereby established~~ The Indiana agricultural statistics service **is established** at Purdue University.

[20-12-40-2] Sec. 2. ~~It shall be the duty of~~ The Indiana agricultural statistics service ~~to~~ **shall** collect, compile, systematize, tabulate, and publish statistical information relating to agriculture, ~~live stock,~~ **livestock,** and crop production.

[20-12-40-5] Sec. ~~5~~: All money which may be available for the cooperative crop reporting service is hereby reappropriated for the use



of the Indiana agricultural statistics service at Purdue University.

**Chapter 5. Purdue University: Cooperative Extension Service**

[20-12-42.1-1] Sec. 1. (a) The office of the cooperative extension service ~~referred to as the service~~, is established in each county.

(b) Each county council shall ~~annually~~ appropriate ~~annually~~, the amount of money that the county council considers necessary to pay secretarial and clerical employees, travel expenses of the county **cooperative extension service** educators, rent, office supplies, equipment, and incidental expenses. Each county council may appropriate ~~additionally~~ **additional money** for the salaries and other personnel costs of the county **cooperative extension service** educators.

[20-12-42.1-2] Sec. 2. (a) Each county **cooperative extension service** must have one (1) administrator and may have other staff members in agriculture, home economics, youth, and other subject matter specialties.

(b) The director of the state **cooperative extension service** of Purdue University, with the approval of the president and board of trustees of Purdue University, shall appoint all county **cooperative extension service** personnel. These appointees are members of the Purdue University staff. When ~~these~~ **the county cooperative extension service personnel** appointments ~~have been~~ **are** made, the state shall pay ~~to the trustees of~~ Purdue University for the state **cooperative extension service** the sums appropriated in the biennial budget to maintain staff in each county. The state **cooperative extension service** shall ~~then~~ pay to the county **cooperative extension service** educators, **as a part of their salaries**, at least ~~that the~~ **sum paid by the state to Purdue University for cooperative extension service educator salaries. as a part of the educator's salary.**

[20-12-42.1-3] Sec. 3. Each county **cooperative extension service** educator under the supervision of the state **cooperative extension service** of Purdue University shall **do the following**:

(1) Provide and carry on educational programs in agricultural production, home economics, family living, management, public affairs, community development, and recreation.

(2) Assist other university programs of education, research, and assistance established for the welfare of ~~the citizens of~~ **Indiana residents.**

(3) Conduct 4-H club and other work with youth.

(4) Give information and ~~council~~ **advice** to producers, distributors, and consumers regarding production, processing, ~~and~~ marketing, and ~~utilization~~ **use** of agricultural products.

(5) Give ~~counsel~~ **advice** and technical assistance ~~that will concern~~ **the concerning** soil fertility and other natural resources. ~~and~~

(6) Cooperate with farmers, farmers' organizations, home economics organizations, and other rural and urban organizations.

[20-12-42.1-4] Sec. 4. (a) All claims covering the salaries and travel





1 expenses of county **cooperative** extension **service** educators ~~to be paid~~  
 2 **that are payable** from county funds ~~shall~~ **must** be submitted monthly  
 3 to the state **cooperative extension** service of Purdue University for  
 4 approval for matching federal funds. The county **cooperative** extension  
 5 **service** educators may ~~then~~ file any approved claims with the county  
 6 auditor. ~~who~~ **The county auditor** shall draw ~~his~~ **a** warrant on the  
 7 county treasury for ~~their~~ **the** payment **of approved claims**.

8 **(b)** All claims covering other expenses of the county **cooperative**  
 9 extension **service** office ~~shall~~ **must** be filed directly with the county  
 10 auditor. ~~who~~ **The county auditor** shall draw ~~the county auditor's~~ **a**  
 11 warrant on the county treasury for payment.

12 **(c)** The county auditor shall provide an annual summary of ~~such the~~  
 13 **county's** expenditures **for the county cooperative extension service**  
 14 **office** to the ~~Purdue University~~ **state** cooperative extension service of  
 15 **Purdue University**.

#### 16 **Chapter 6. Agricultural Experiment Station**

17 [20-12-44.1-1 (part)] Sec. 1. ~~(a)~~ **The board of** trustees of Purdue  
 18 University may maintain and operate at Purdue University an  
 19 agricultural experiment station. ~~to be~~

20 [20-12-44.1-1 (part)] **Sec. 2. The agricultural experiment station**  
 21 **shall be** known as the office of agricultural research programs.

22 [20-12-44.1-1 (part)] **Sec. 3.** The office of agricultural research  
 23 programs may, as the agency of the state, ~~of Indiana,~~ receive ~~the~~  
 24 cooperative funds from the United States Department of Agriculture  
 25 **that are** provided to agricultural experiment stations.

26 ~~(b) The intent of this section is to continue without change the~~  
 27 ~~substantive effect of Acts 1889, c.3.~~

28 SECTION 58. IC 21-47 IS ADDED TO THE INDIANA CODE AS  
 29 A **NEW** ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1,  
 30 2007]:

### 31 **ARTICLE 47. GEOLOGICAL SURVEY; ENERGY** 32 **RESEARCH AND EDUCATION CENTERS**

#### 33 **Chapter 1. General Provisions; Definitions**

34 [New] **Sec. 1. The definitions in this chapter apply throughout**  
 35 **this article.**

36 [4-4-30-1] Sec. ~~1.~~ **2. As used in this chapter, "Center", for purposes**  
 37 **of IC 21-47-4,** refers to the center for coal technology research  
 38 established by ~~this chapter.~~ **IC 21-47-4-1.**

39 [4-4-30-3] Sec. ~~3.~~ **3. As used in this chapter, "Fund", for purposes**  
 40 **of IC 21-47-4,** refers to the coal technology research fund established  
 41 by ~~section 8 of this chapter.~~ **IC 21-47-4-5.**

42 [4-4-30-4] Sec. 4. ~~As used in this chapter,~~ "Indiana coal" means coal  
 43 from a mine whose coal deposits are located in the ground wholly or  
 44 partially in Indiana regardless of the location of the mine's tipple.

45 [32-19-4-3 (part)] **Sec. 5. "State agency" (as defined has the**  
 46 **meaning set forth in IC 4-13-1-1.**



[32-19-4-3 (part)] **Sec. 6. "Unit" (as defined has the meaning set forth in IC 36-1-2-23.**

**Chapter 2. State Geologist; Geological Survey**

[20-12-28-1] Sec. 1. (a) The state geologist, while holding the office of state geologist, shall be regarded as a member of the faculty of ~~the~~ **Indiana** University. The state geologist may be appointed to a full-time or part-time position on the faculty of ~~the~~ **Indiana** University.

(b) The state geologist shall be chosen by ~~the~~ **Indiana** University. The state geologist shall serve for an indefinite period at the pleasure of ~~the~~ **Indiana** University.

(c) The state geologist shall direct the collection and archiving of rock, mineral, soil, and other geologic samples. These samples shall be retained, as considered proper by the state geologist, at ~~the~~ **Indiana** University.

[20-12-28-2] Sec. 2. (a) The Indiana geological survey is established as a part of ~~the~~ **Indiana** University.

(b) The head of the survey is the state geologist.

(c) The survey is under the direction and control of the **board of trustees of Indiana University** to:

- (1) continue the geological and scientific survey of Indiana;
- (2) continue the work of discovering, developing, and preserving the mineral, energy, and ground water resources of Indiana; and
- (3) have charge of the state geological sample collection.

[20-12-28-3] Sec. 3. (a) The survey shall do the following:

- (1) Provide geologic information about the energy, mineral, and ground water resources and geologic related hazards of Indiana.
- (2) Provide services that include:
  - (A) the archiving of rock cores, well cuttings, other subsurface geologic information, and other physical and chemical data on geologic materials; and
  - (B) the collection and storage of data.
- (3) Provide public service, information, and educational programs.
- (4) Engage in research.
- (5) Participate in cooperative studies and contractual projects with the department of **natural resources** and other agencies of state and federal government.
- (6) Participate in cooperative studies and contractual projects with ~~universities~~ **state educational institutions and private educational institutions.**
- (7) Disseminate published maps and reports.

(b) The survey may also do the following through contractual agreements:

- (1) Provide the department of **natural resources** with information on the geologic occurrence of ground water and the vulnerability of this resource to contamination.



(2) Provide to the department **of natural resources** and other state agencies geologic information needed for the effective regulation of the mineral, water, and energy resources of Indiana.

(3) At the request of the department **of natural resources**, perform geotechnical investigations for a variety of mine reclamation programs.

(4) Provide general geotechnical consultation and assistance as may be needed from time to time.

[20-12-28-4] Sec. 4. (a) The president of ~~the~~ **Indiana** University may appoint a geological survey advisory council.

(b) The council, ~~when if~~ appointed, ~~shall consist~~ **consists** of nine (9) or more ~~persons~~ **members** who shall be selected with regard to their experience and knowledge concerning the public needs or enterprises served by the geological survey.

(c) The president of ~~the~~ **Indiana** University shall specify the length of the term for which members of the council are appointed.

(d) Each member of the council who is not a state employee is entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b). ~~The A~~ member is also entitled to reimbursement for traveling expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

(e) The ~~advisory~~ council shall meet with the state geologist from time to time, at the call of the state geologist, to make recommendations concerning:

(1) the functions and performance of the survey; and

(2) ~~the appropriation~~ **appropriations** and funding ~~of for~~ the survey.

(f) ~~Recommendations made by~~ The council may ~~also concern~~ **make recommendations concerning** the effectiveness and efficiency of the survey and other matters.

(g) Recommendations and reports of the council shall be directed to the following:

(1) The governor.

(2) The budget agency.

(3) The president of ~~the~~ **Indiana** University.

(4) The director of the department **of natural resources**.

[20-12-28-5] Sec. 5. The state geologist and ~~the~~ **Indiana** University shall confer ~~from time to time~~ **periodically** with the director of the department **of natural resources** concerning the enforcement of laws that address conservation issues and the development of natural resources.

[20-12-28-6] Sec. 6. (a) Appropriations to support the operations of the survey shall be made to Indiana University by separate line item.

(b) ~~It is intended that the trustees and the~~ **Indiana** University ~~shall~~ **is not be** responsible for the expenses and cost of operating and



maintaining the survey except ~~as to the extent that~~ the appropriations and the income generated by contracts and other operations of the survey ~~shall suffice~~. **are sufficient.** If at any time the **board of trustees of Indiana University determine determines** that it is no longer feasible for the survey to be a part of ~~the~~ **Indiana** University, the director of the department of **natural resources** and the governor shall be advised as promptly as possible so that the state may make other arrangements to fulfill the mission of the survey.

(c) The state, and not ~~the trustees~~ **Indiana University** or the department of **natural resources**, shall defend against and be liable to satisfy claims against the survey arising from the performance by the survey of the powers and duties set forth in section 3 of this chapter.

### **Chapter 3. Geodetic Adviser**

[32-19-4-1] Sec. 1. (a) Purdue University shall establish the office of geodetic adviser for the state.

(b) The geodetic adviser is appointed by and serves at the discretion of Purdue University. Purdue University shall determine the amount of compensation for the geodetic adviser.

[32-19-4-2] Sec. 2. (a) The geodetic adviser is responsible for ~~the implementation~~ **implementing** of a new system of geodetic control monuments in the form of a high accuracy geodetic reference network that is part of the National Spatial Reference System and that meets the needs of geodetic and geographic information users.

(b) The geodetic adviser shall coordinate and assist in the following:

- (1) The design of the geodetic reference network.
- (2) The establishment of any geodetic reference monument.
- (3) The maintenance of data base control stations, to the extent that funding is available.
- (4) The establishment and implementation of quality control and quality assurance programs for the geodetic reference network.
- (5) The assistance and training of users of the geodetic reference network.

[32-19-4-3 (part)] Sec. 3. (a) The state, a state agency, ~~(as defined in IC 4-13-1-1)~~, or a unit ~~(as defined in IC 36-1-2-23)~~ may provide funding from available funds for the activities described in this chapter.

(b) A unit ~~(as defined in IC 36-1-2-23)~~ may pay the cost of any geodetic reference monument that is established within the boundaries of that unit.

(c) Money in the county surveyor's corner perpetuation fund collected under IC 36-2-7-10 or IC 36-2-19 may be used for purposes of this chapter.

[32-19-4-4] Sec. 4. **(a)** A county legislative body may adopt an ordinance:

- (1) prohibiting a person from moving, changing, or otherwise altering a monument that is part of the National Spatial Reference System; and



(2) prescribing a monetary penalty for violation of the ordinance.

(b) Any money collected for a violation of the ordinance shall be deposited in the county surveyor's corner perpetuation fund.

#### **Chapter 4. Center for Coal Technology Research**

[4-4-30-5] Sec. 5-1. The center for coal technology research is established to perform the following duties:

(1) Develop technologies that can use Indiana coal in an environmentally and economically sound manner.

(2) Investigate the reuse of clean coal technology byproducts including fly ash and coal bed methane.

(3) Generate innovative research in the field of coal use.

(4) Develop new, efficient, and economical sorbents for effective control of emissions.

(5) Investigate ways to increase coal combustion efficiency.

(6) Develop materials that withstand higher combustion temperatures.

(7) Carry out any other ~~matter~~ **duty** concerning coal technology research, including public education, as determined by the center.

(8) Administer the Indiana coal research grant fund under IC 4-23-5.5-16.

(9) Investigate the use of coal bed methane in the production of renewable or alternative fuels and renewable energy sources.

(10) Determine whether a building is a qualified building for purposes of a property tax deduction under IC 6-1.1-12-34.5.

[4-4-30-5.5] Sec. 5-5-2. The office of the lieutenant governor may adopt rules under IC 4-22-2 to carry out the duties, purposes, and functions of the center.

[4-4-30-6] Sec. 6-3. ~~In carrying out its duties under this chapter,~~ The center ~~shall~~ **must** be located at Purdue University at West Lafayette. ~~and In carrying out its duties under this chapter, the center shall must~~ cooperate with and may use the resources of ~~the~~ **the following:**

(1) Indiana geological survey and other state educational institutions.

(2) A state or federal department or agency.

(3) A political subdivision. ~~and~~

(4) Interest groups representing business, environment, industry, science, and technology.

[4-4-30-7] Sec. 7-4. To carry out the center's duties described in section 5-1 of this chapter, the lieutenant governor or the lieutenant governor's designee, acting on behalf of the center, may ~~do the~~ **the following:**

(1) Organize the center in the manner necessary to implement this chapter.

(2) Execute contractual agreements, including contracts for:

(A) the operation of the center;



- 1 (B) the performance of any of the duties described in section  
 2 ~~5~~ 1 of this chapter; and  
 3 (C) any other services necessary to carry out this chapter.  
 4 (3) Receive money from any source for purposes of this chapter.  
 5 (4) Expend money for an activity appropriate to the purposes of  
 6 this chapter.  
 7 (5) Execute agreements and cooperate with **the following:**  
 8 (A) Purdue University and other state educational institutions.  
 9 (B) A state or federal department or agency.  
 10 (C) A political subdivision. ~~and~~  
 11 (D) Interest groups representing business, the environment,  
 12 industry, science, and technology. ~~and~~  
 13 (6) ~~Subject to the approval of the budget agency,~~ Employ  
 14 personnel as necessary for the efficient administration of this  
 15 chapter **subject to the approval of the budget agency.**  
 16 [4-4-30-8] Sec. ~~8~~ **5.** (a) The coal technology research fund is  
 17 established to provide money for the center ~~for coal technology~~  
 18 ~~research~~ and for the **office of the** lieutenant governor to carry out the  
 19 duties specified under this chapter. The budget agency shall administer  
 20 the fund.  
 21 (b) The fund consists of the following:  
 22 (1) Money appropriated or otherwise designated or dedicated by  
 23 the general assembly.  
 24 (2) Gifts, grants, and bequests.  
 25 (c) The treasurer of state shall invest the money in the fund not  
 26 currently needed to meet the obligations of the fund in the same  
 27 manner as the treasurer may invest other public funds.  
 28 (d) Money in the fund at the end of a state fiscal year does not revert  
 29 to the state general fund.  
 30 SECTION 59. IC 23-13-7-1 IS AMENDED TO READ AS  
 31 FOLLOWS [EFFECTIVE JULY 1, 2007]: ~~Sec. 1. Whenever a college,~~  
 32 ~~university or normal school which has been in existence for fifty (50)~~  
 33 ~~years or more which was non-sectarian and for which a tax levy had~~  
 34 ~~been authorized by any county and which after said tax levy had been~~  
 35 ~~made became a sectarian or religious institution or under the control of~~  
 36 ~~a sectarian or religious institution and there remains a balance in the~~  
 37 ~~county treasury of such county in a separate fund resulting from the~~  
 38 ~~revenue accruing from such tax levy, such balance shall revert to the~~  
 39 ~~general funds of such county.~~  
 40 SECTION 60. IC 36-1-18 IS ADDED TO THE INDIANA CODE  
 41 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
 42 JULY 1, 2007]:  
 43 **Chapter 18. Donations to a State University from a Political**  
 44 **Subdivision**  
 45 [21-7-1-1 (part); 21-7-1-4] Sec. 1. **This chapter applies to a**  
 46 **county, city, town, or township in which a state educational**



institution is located whenever:

(1) at least:

(A) fifty (50) freeholders and taxpayers of ~~any the political subdivision, if the political subdivision is a county; in this state; or~~

(B) twenty-five (25) freeholders of ~~any the political subdivision, if the political subdivision is a city, town, or township; in this state;~~

~~in which any state university may be situated; shall petition~~ petition the legislative body of ~~a the county, city, town, or township political subdivision~~ to make a donation to ~~the a state university; in any sum~~ educational institution that is located in the political subdivision;

(2) the donation proposed in the petition does not ~~exceeding~~ exceed:

(A) twenty-five thousand dollars (\$25,000), ~~by if the petition is made to~~ a county or city; or

(B) ten thousand dollars (\$10,000), ~~by if the petition is made to~~ a township or town; and

(3) neither the political subdivision nor any other political subdivision in the same county has made another donation to the state educational institution under this chapter, IC 21-7-1 (before its repeal), or Acts 1897, c.39, s.2 (before its repeal).

[21-7-1-1 (part)] Sec. 2. The legislative body of ~~the a political subdivision~~ may adopt:

(1) an ordinance, if the political subdivision is a county, city, or town; or

(2) a resolution, if the political subdivision is a township; ~~may~~ to make ~~the a~~ donation to a state educational institution located in the political subdivision. The amount of the donation may not ~~exceeding~~ exceed the amount named in the petition and enter in their respective records the proper order, ordinance, or resolution therefor; ~~which shall be a~~ submitted to the political subdivision under this chapter.

[21-7-1-1 (part)] Sec. 3. An ordinance or resolution under this chapter is sufficient justification for the proper officer to draw a warrant ~~therefor~~ and pay the donation authorized by the political subdivision's legislative body.

[21-7-1-2] Sec. ~~2~~ 4. The legislative body of a county, city, or town is ~~authorized to making a donation under this chapter~~ may make all proper agreements with a state university; educational institution with reference to the purpose for which ~~donations made in accordance with this chapter donation~~ shall ~~must~~ be used. The terms and conditions under which the money is donated, ~~and accepted~~, when made and accepted, are binding on the state ~~university~~ educational institution accepting the donation.



1       [21-7-1-4] ~~Sec. 4. If either the county, city, town, or township makes~~  
 2 ~~such donation it shall not be lawful for any one (1) or more of such~~  
 3 ~~corporations to make a donation under this chapter.~~

4       SECTION 61. IC 36-1-19 IS ADDED TO THE INDIANA CODE  
 5 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
 6 JULY 1, 2007]:

7       **Chapter 19. Knox County Tax Levy for Vincennes University**

8       [23-13-17-1] Sec. 1. The county council of ~~the county of~~ Knox  
 9 ~~County is hereby authorized to may~~ fix and establish annually the rate  
 10 of a special tax levy to be imposed on the taxable property of ~~such~~  
 11 **Knox County**, for the support of Vincennes University. This levy ~~shall~~  
 12 ~~may not however,~~ exceed in any year, three cents (\$0.03) on each one  
 13 hundred dollars (\$100) of the taxable property in ~~said~~ **Knox County**.  
 14 All revenue accruing from any tax levy ~~so~~ imposed **under this section**  
 15 shall be paid:

16       (1) into the county treasury as a separate and distinct fund; and  
 17 ~~shall be paid~~

18       (2) to the proper fiduciary officer of ~~the Vincennes~~ University on  
 19 warrant of the county auditor.

20       [23-13-17-2] Sec. 2. At the time the county auditor of Knox County  
 21 makes ~~his the county auditor's~~ regular semiannual settlement with the  
 22 proper fiduciary officer of Vincennes University for the proceeds of the  
 23 special tax levy that may be then due ~~the Vincennes~~ University ~~as~~  
 24 ~~provided in section 1 of under~~ this chapter, ~~such the~~ county auditor  
 25 shall also forward to the auditor of state a certificate showing:

26       (a) (1) the total valuation of the taxable property of ~~such Knox~~  
 27 ~~County;~~

28       (b) (2) the special tax rate ~~duly~~ established by the county council  
 29 for the support of ~~such Vincennes~~ University for the current year;  
 30 and

31       (c) (3) the ~~aggregate total~~ amount paid on behalf of ~~such Knox~~  
 32 ~~County as public aid to such Vincennes~~ University at ~~such the~~  
 33 semiannual settlement.

34 ~~Thereupon, and Semiannually thereafter,~~ upon receipt of ~~any such the~~  
 35 certificate, the auditor of state shall promptly draw and forward to ~~such~~  
 36 **Vincennes** University a warrant on the treasurer of state in double the  
 37 amount shown by ~~such the~~ certificate of ~~said the Knox~~ County auditor  
 38 to have been paid as public aid to ~~the Vincennes~~ University at ~~such the~~  
 39 semiannual settlement. ~~which The warrant shall must~~ be charged to  
 40 and paid out of the state ~~school tuition~~ **general** fund.

